NOTE

This Microfiche meets the quality requirements of the American National Standard for Microfiche of Documents (ANSI PH5.9-1975). However, because of imperfections in the document from which it was made, it contains images that are illegible or difficult to read. The source document for this microfiche is the best copy that could be obtained prior to filming.

CIS

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 1990

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

SUBCOMMITTEE ON THE DEPARTMENT OF DEFENSE

JOHN P. MURTHA, Pennsylvania, *Chairman*

NORMAN D. DICKS, Washington
CHARLES WILSON, Texas
W. G. (BILL) HEFNER, North Carolina
LES AuCOIN, Oregon
MARTIN OLAV SABO, Minnesota
JULIAN C. DIXON, California
JOSEPH M. McDADE, Pennsylvania
C. W. BILL YOUNG, Florida
CLARENCE E. MILLER, Ohio
BOB LIVINGSTON, Louisiana

DONALD E. RICHBOURG, J. DAVID WILLSON, JOHN G. PLASHAL, ROBERT V. DAVIS, SANDRA A. GILBERT, DAVID F. KILIAN, ELIZABETH A. PHILLIPS, RICHARD E. EFFORD, DELACROIX DAVIS III, ALICIA JONES, and JULIE PACQUING, *Staff Assistants;* MARCIA L. MATTS, MARY E. GAROFALO, and CYNTHIA A. WRIGHT, *Administrative Aides*

PART 2

Commanders in Chief:

	Page
European Command	1
Atlantic Command	71
Transportation Command	127
Pacific Command	221
Central Command	283
Southern Command	377
Space Command	447
Special Operations Command	517

Printed for the use of the Committee on Appropriations

U.S. GOVERNMENT PRINTING OFFICE
99-534 O WASHINGTON : 1989

H181-2

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

COMMITTEE ON APPROPRIATIONS

JAMIE L. WHITTEN, Mississippi, *Chairman*

WILLIAM H. NATCHER, Kentucky
NEAL SMITH, Iowa
SIDNEY R. YATES, Illinois
DAVID R. OBEY, Wisconsin
EDWARD R. ROYBAL, California
LOUIS STOKES, Ohio
TOM BEVILL, Alabama
BILL ALEXANDER, Arkansas
JOHN P. MURTHA, Pennsylvania
BOB TRAXLER, Michigan
JOSEPH D. EARLY, Massachusetts
CHARLES WILSON, Texas
LINDY (MRS. HALE) BOGGS, Louisiana
NORMAN D. DICKS, Washington
MATTHEW F. McHUGH, New York
WILLIAM LEHMAN, Florida
MARTIN OLAV SABO, Minnesota
JULIAN C. DIXON, California
VIC FAZIO, California
W. G. (BILL) HEFNER, North Carolina
LES AuCOIN, Oregon
DANIEL K. AKAKA, Hawaii
WES WATKINS, Oklahoma
WILLIAM H. GRAY III, Pennsylvania
BERNARD J. DWYER, New Jersey
STENY H. HOYER, Maryland
BOB CARR, Michigan
ROBERT J. MRAZEK, New York
RICHARD J. DURBIN, Illinois
RONALD D. COLEMAN, Texas
ALAN B. MOLLOHAN, West Virginia
LINDSAY THOMAS, Georgia
CHESTER G. ATKINS, Massachusetts
JIM CHAPMAN, Texas

SILVIO O. CONTE, Massachusetts
JOSEPH M. McDADE, Pennsylvania
JOHN T. MYERS, Indiana
CLARENCE E. MILLER, Ohio
LAWRENCE COUGHLIN, Pennsylvania
C. W. BILL YOUNG, Florida
RALPH REGULA, Ohio
VIRGINIA SMITH, Nebraska
CARL D. PURSELL, Michigan
MICKEY EDWARDS, Oklahoma
BOB LIVINGSTON, Louisiana
BILL GREEN, New York
JERRY LEWIS, California
JOHN EDWARD PORTER, Illinois
HAROLD ROGERS, Kentucky
JOE SKEEN, New Mexico
FRANK R. WOLF, Virginia
BILL LOWERY, California
VIN WEBER, Minnesota
TOM DeLAY, Texas
JIM KOLBE, Arizona
DEAN A. GALLO, New Jersey

FREDERICK G. MOHRMAN, *Clerk and Staff Director*

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 1990

TUESDAY, JANUARY 31, 1989.

COMMANDER IN CHIEF, UNITED STATES EUROPEAN COMMAND

WITNESS

GEN. JOHN R. GALVIN, U.S. ARMY, COMMANDER IN CHIEF, U.S. EUROPEAN COMMAND

INTRODUCTION

Mr. **MURTHA**. The committee will come to order.

Today we have General John Galvin, Commander in Chief, European Command.

It is our purpose today to discuss the ability to carry out the NATO warfighting strategy, the resources needed and on hand to carry out this strategy, and the possibility of making reductions without affecting warfighting capability.

We are delighted to have you before the committee. I have looked at your statement and your statement will appear in its entirety in the record. If you will summarize it for us then we will proceed with questions.

SUMMARY STATEMENT OF GENERAL GALVIN

General **GALVIN**. Thank you very much, Mr. Chairman. I appreciate the chance to be here, and I also would like to say from the beginning, I deeply appreciate your visit over to Europe where you spent a great deal of time with members of this subcommittee and the committee itself looking around Europe and finding out first-hand what was going on. My commanders also were delighted that we had that opportunity.

I would like to just make a brief summary. There are a lot of questions that are going to come up this year and a lot of tough issues.

CHANGES IN THE SOVIET UNION

First of all, surprisingly enough, the issue that is uppermost is, what is the situation. We have the Soviet Union going through a vast transition down the road where even the key Soviet leaders themselves admitted they don't know where that road goes, but what they have also said about that road is that it is not reversible.

I think that puts us in a situation that we have not seen since the beginning of the Alliance, almost 40 years ago. We are inextricably involved in that change, and that change has dangers of instability.

At the same time, the military strength of the Soviet Union really has not changed appreciably, although there are indications that it may.

So then the next question after that is, what to do ourselves? And I think that we need to take a hard look at that this year.

NATIONAL SECURITY STRATEGY

First of all, our security, national security, lies within a system of collective securities of other nations, especially in the West, and the major alliance is NATO. In that Alliance, we asked a very wise man, Mr. Pierre Harmel, to tell us way back 20 years ago how we should conduct ourselves and what should be the overall strategy guidance. He said we should stay strong, but be prepared to dialogue and negotiate with the other side if and when that was possible. I think that still will apply to us. I don't think we have to do a lot of soul-searching to see where we have to go next.

I think we should follow the guidance we already have, and that is to stay strong but be ready to talk at the tables.

In order to stay strong we have to look at our strategy itself first, and that is the strategy of forward defense and flexible response, which has been a very good strategy for 20 years. We, before that, had the strategy of massive retaliation, and we decided that was not credible.

What we have now is the technological explosion we have seen in the past 20 years. Not only have we changed, but our potential adversary has also changed a great deal.

I think, therefore, the strategy is good. There are many, many other strategies by the way, and I don't believe the strategy we have is the one we should keep simply because we can't think of any other one. There are many others, but it is the best.

In order to support it, first of all, we have to make sure we have the proper conventional capability. And that is basically the capability for close battle and the possibility for follow-on forces attack. And in the close battle and the follow-on forces attack, my toughest questions that I have to face are whether or not I can get the right amount of sustainment, that is days of supply, especially ammunition, and the right amount of reinforcement to Europe in time to conduct a defense, if God forbid we had an all-out attack and we had to defend ourselves. We all hope, by the way, that our capabilities and our readiness to carry out our strategy will provide for the deterrence which prevents war and keeps us in peace as we have found ever since NATO began four decades ago.

It is reinforcement and sustainment that are the most difficult problems. They break down into airlift, sealift, POMCUS, war reserves, and especially ammunition. In the ammunition, the problem involves especially what is called preferred ammunition, which is usually the most modern ammunition.

STUDY ON NUCLEAR WEAPONS REQUIREMENTS

I would be more than happy to discuss follow-on forces attack and close battle, but I would do so if you would like to hear about it. I will wait for questions on that, and simply say the other part of our sustainment of strategy is nuclear. I have just finished as the Supreme Allied Commander Europe, besides being CINCEUR, a study on nuclear weapons requirements, which is one that I turn over to the U.S. as a custodian and the United Kingdom as a nuclear custodian every two years and then also to the Secretary General of NATO. That study has been turned over.

What it says is that we can make significant reductions in our nuclear weapons, especially the shorter-range weapons, if we can get modernization, and that modernization falls into three categories: improved artillery, tactical air-to-surface missile, and follow-on to Lance.

BURDENSHARING

I mention in my paper the issue of burdensharing, and I would be happy to talk about that. I basically feel the nations in Europe need to do more to share the burden, but I also have two other thoughts about that. One of them is that the United States also needs to do more in terms of fulfilling its force goals and getting the other six divisions to Europe within the ten day time frame and following through with the rest of the reinforcement that would be necessary in time of war.

The other point I would make is the countries of Europe are different countries, obviously. Great Britain over the years has had a good record in burdensharing. The Germans have had a pretty good record in burdensharing in terms of percentage of gross national product, but also the additional part which is beyond GNP, and there especially the Germans have done a great deal. So the bigger countries, as it turns out, do a lot.

Some of the other countries such as Denmark, Luxembourg, others, do not do as much. And I think it is not a good idea to average those countries across the board, but look at them one by one.

I do think the report which has been turned in to all of the countries and which, of course, is here in the U.S. Congress, is an indication that the European countries have taken us seriously. It does go down country by country, and is pretty frank about what the countries ought to do, and now it is the question of what will be accomplished as a result of that report.

On the other side, the Harmel advice to us was two-fold, and the other part of it, besides staying strong, was to negotiate. The Soviets yesterday published some figures finally after a long, long time waiting on our part, and I think the main point about those figures is that it shows they probably are serious about going into the CFE talks, the conventional talks in Vienna. I think that is vitally important to us because the overwhelming power of the Soviet Union is in their conventional power, which it has been for these decades since World War II. They have tried to build a force which can move rapidly with large units over long distances in the attack without pause and with good command and control and sustainment. We need to bring that force down to parity with ours, and I hope that is what will happen as a result of these talks and that they will proceed with some rapidity and dispatch.

SHORT- AND LONG-RANGE INITIATIVES

The last point that I would make is this: We have talked a lot about initiative and we almost wear initiative as a hair shirt. When we say we don't have any initiative, the Soviets have all the initiative, we ought to take a look at that. We can divide it into long-range and short-range initiative. In the long range, we have had a good strategy in NATO, and it looks like it might be paying off. We may be winning with that strategy after all if we can get the Soviets to the table and bring down the forces on the military side.

More than that, outside the military side, we are seeing the Soviets are talking about glasnost and when you begin to define glasnost, it sounds strangely Western. It has to do with freedoms and democracy and self-determination and human rights and even free enterprise. So what we are seeing here, I think, are long-range initiatives on our part that paid off.

Now, the short-range ones, we find that Gorbachev and the Soviet Union are able to come up almost every three or four weeks with a new initiative which sends us scurrying to answer. But I think we need to look at that. When you are the larger side, you can afford to be willing to offer something up. When you are the side that has been threatening a long time, you can afford to be conciliatory. When you are the side that has been strongly centralized all along, you can afford to make quick decisions, and you don't have to check with too many people.

On the other hand, we have 16 nations in the Alliance, 16 independent, sovereign nations who want to consult before they do anything, and we don't have one single national leader who can get up and speak for all the nations. I think those are not weaknesses, they are strengths on our part.

What we ought to look at is how we have succeeded long range with our initiatives. The fact that we do not succeed short range with them is probably more a blessing than it is a curse.

And with that, Mr. Chairman, I would be ready to answer any questions.

[The biographical sketch and statement of General Galvin follow:]

RESUME OF SERVICE CAREER

of

JOHN ROGERS GALVIN, General

DATE AND PLACE OF BIRTH 13 May 1929, Wakefield, Massachusetts

YEARS OF ACTIVE COMMISSIONED SERVICE Over 34

PRESENT ASSIGNMENT Supreme Allied Commander, Europe/Commander-in-Chief, United States European Command, Supreme Headquarters Allied Powers Europe, APO New York 09055, since June 1987

MILITARY SCHOOLS ATTENDED
The Infantry School, Basic Course
The Armor School, Advanced Course
United States Army Command and General Staff College
United States Army War College

EDUCATIONAL DEGREES
United States Military Academy - BS Degree - No Major
Columbia University - MA Degree - English

FOREIGN LANGUAGE(S) German, Spanish

MAJOR DUTY ASSIGNMENTS

FROM	TO	ASSIGNMENT
Aug 54	Dec 54	Student, Infantry Officer Basic Course, United States Army Infantry School, Fort Benning, Georgia
Feb 55	Dec 55	Platoon Leader and later Executive Officer, Company I, 65th Infantry, Camp Losey, Puerto Rico
Jan 56	Oct 56	Assistant Post S-2 (Intelligence) and S-3 (Operations) and later Post S-2 (Intelligence) and S-3 (Operations), Fort Brooke, Puerto Rico
Oct 56	Mar 58	Advisor to the Colombian Army Ranger School, United States Army Mission to Colombia, Bogota, Colombia
Mar 58	Oct 59	Platoon Leader, later Commander, later Executive Officer, later Assistant S-1 (Personnel), 1st Airborne Battle Group, 501st Infantry, 101st Airborne Division, Fort Campbell, Kentucky
Oct 59	Aug 60	Commander, Company B, 1st Airborne Battle Group, 501st Infantry, 101st Airborne Division, Fort Campbell, Kentucky
Sep 60	Jun 61	Student, Armor Officer Advanced Course, United States Army Armor School, Fort Knox, Kentucky
Jul 61	Aug 62	Student, Columbia University, New York, New York
Jul 62	Jul 65	Instructor, later Associate Professor, Department of English, United States Military Academy, West Point, New York
Jul 65	Jun 66	Student, United States Army Command and General Staff College, Fort Leavenworth, Kansas

JOHN ROGERS GALVIN, General

MAJOR DUTY ASSIGNMENTS

FROM	TO	ASSIGNMENT
Jun 66	Dec 66	Operations Officer, S-3 (Operations), 1st Brigade, 1st Infantry Division and later Logistics Plans Officer, Plans Branch, Plans and Operations Division, Office of the Assistant Chief of Staff, G-4 (Logistics), Headquarters, United States Army, Vietnam
Dec 66	May 67	Assistant G-3 (Plans), Office of the Assistant Chief of Staff, G-3 (Operations), 1st Cavalry Division (Airmobile), United States Army Vietnam
Jul 67	Nov 67	Researcher and Writer, Office of the Secretary of Defense Task Force for National Security Policy, Washington, DC
Dec 67	Feb 68	Staff Officer, Special Projects Branch, Public Information Division, Office of the Chief of Information, United States Army, Washington, DC
Feb 68	Aug 69	Military Assistant and Aide to the Secretary of the Army, Office of the Secretary of the Army, Washington, DC
Sep 69	Apr 70	Assistant Chief of Staff, G-2 (Intelligence), 1st Cavalry Division (Airmobile), United States Army Victnam
Apr 70	Nov 70	Commander, 1st Battalion, 8th Cavalry, 1st Cavalry Division (Airmobile), United States Army Vietnam
Dec 70	Jun 72	Combat Developments Staff Officer, Force Development Division, Doctrine Directorate and later Chief, Special Presentations Branch, United States Army Combat Developments Command, Fort Belvoir, Virginia
Jun 72	Jun 73	Student, United States Army War College, Carlisle Barracks, Pennsylvania
Jun 73	May 74	Deputy Secretary of the Joint Staff, United States European Command
May 74	May 75	Military Assistant to the Supreme Allied Commander, Europe
May 75	Jan 77	Commander, Division Support Command, 3d Infantry Division (Mechanized), United States Army Europe
Jan 77	Jun 78	Chief of Staff, 3d Infantry Division (Mechanized), United States Army Europe
Jun 78	Aug 80	Assistant Division Commander, 8th Infantry Division (Mechanized), United States Army Europe
Aug 80	May 81	Assistant Deputy Chief of Staff for Training, United States Army Training and Doctrine Command, Fort Monroe, Virginia
Jun 81	Jun 83	Commanding General, 24th Infantry Division (Mechanized) and Fort Stewart, Georgia
Jul 83	Feb 85	Commanding General, VII Corps, United States Army Europe
Mar 85	Jun 87	Commander in Chief, United States Southern Command, Quarry Heights, Panama

JOHN ROGERS GALVIN, General

PROMOTIONS	DATES OF APPOINTMENT	
	Temporary	Permanent
2LT		4 Jun 54
1LT	15 Dec 55	4 Jun 57
CPT	16 Aug 60	4 Jun 61
MAJ	7 Aug 64	4 Jun 68
LTC	15 Dec 67	4 Jun 75
COL	1 Jul 74	4 Jun 78
BG	1 Jul 78	1 Jun 81
MG	1 Jul 81	22 Jan 82
LTG	29 Jun 83	
GEN	25 Feb 85	

US DECORATIONS AND BADGES

Defense Distinguished Service Medal
Distinguished Service Medal
Silver Star
Legion of Merit (with 2 Oak Leaf Clusters)
Distinguished Flying Cross
Soldier's Medal
Bronze Star Medal (with 3 Oak Leaf Clusters)
Air Medals with V Device
Combat Infantryman Badge
Senior Parachutist Badge
Ranger Tab

SOURCE OF COMMISSION USMA

SUMMARY OF JOINT EXPERIENCE

Assignment	Dates	Grade
Researcher and Writer, Office of the Secretary of Defense Task Force for National Security Policy, Washington, DC	Jul 67-Nov 67	Major
Deputy Secretary of the Joint Staff, United States European Command	Jun 73-May 74	Lieutenant Colonel
Military Assistant to the Supreme Allied Commander, Europe	May 74-May 75	Colonel
Commander in Chief, United States Southern Command, Panama	Mar 85-Jun 87	General
Supreme Allied Commander, Europe/ Commander-in-Chief, United States European Command, Supreme Headquarters Allied Powers Europe	Jun 87-Present	General

As of 6 December 1988

FOR OFFICIAL USE ONLY
UNTIL RELEASED BY THE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE
HOUSE OF REPRESENTATIVES

STATEMENT OF

GENERAL JOHN R. GALVIN

COMMANDER IN CHIEF, UNITED STATES EUROPEAN COMMAND

BEFORE THE

SUBCOMMITTEE ON DEFENSE

COMMITTEE ON APPROPRIATIONS

U.S. HOUSE OF REPRESENTATIVES

JANUARY 31, 1989

I. Role of CINCEUR

Mr. Chairman and distinguished members of the House. I welcome this opportunity to contribute to your study of the nation's defense requirements. Your deliberations this year will take place in the context of several particularly important events in Europe. This year will mark the beginning of the much heralded and long-awaited conventional stability talks; it will see the further implementation of the INF Treaty; but most important for us to remember, it will mark the fortieth anniversary of the North Atlantic Alliance -- the most successful Alliance in modern history.

As Commander-in-Chief of the United States European Command I am responsible for US military activities in Europ and most of Africa, an area that includes 77 countries. To carry out that mission I command 322,000 American soldiers, sailors, marines and airmen, and supervise 150,000 civilians who work for the military. In addition to commanding US forces in Europe, I serve as the Supreme Allied Commander Europe, responsible to the North Atlantic Treaty Organization. My primary mission in both of these roles is to deter war and to maintain the peace with freedom that the West has enjoyed for forty years, or -- if that peace is broken -- to defend by employing the military forces of Allied Command Europe.

II. Uncertain Times:

It is clear that we are entering a period of uncertainty. Whatever we think of the motives of President Gorbachev, there is little doubt that he is taking his nation through great change. And as this great power changes it will pass through unpredictable periods of potential instability.

In regard to their posture towards the West, the Soviets now display a great willingness to negotiate. Having realized that the stagnation of their economy is in part attributable to their enormous defense expenditures, the Soviets are seeking to turn necessity into a virtue by declaring their readiness to participate in conventional arms control negotiations. They have learned that sounding bellicose and backing it up with a military force that exceeds any reasonable need for defense only tends to alarm others and motivate them to take prudent steps to ensure their own security. Now they are at least articulating a new approach.

Within the Soviet Union, there is movement toward what the Russian leaders call "new thinking." Glasnost and Perestroika are significant concepts that seem to be shaking a stifling ideology to its very foundations. Governmental institutions, the economic system, and the very social structure are all undergoing confusing, almost chaotic change. In regard to the balance of military forces we are hearing terms such as "reasonable sufficiency." We are hearing promises of unilateral conventional force reductions of 10,000 tanks, 5000 of which will come from the forward areas of the Warsaw Pact, 8500 artillery pieces, 800 combat aircraft, and 500,000 men.

These are promises that we hope will come about. But even if they do, many questions remain unanswered. Where will the troops and equipment go? What will be done with them? What, exactly, is meant by manpower cut? What kinds of manpower are we talking about -- railroad repair units, border guard

units?

And what of the massive production rates that we still see? President Gorbachev has announced a reduction of 14.2% in the Soviet defense budget. But 14.2% of what is not clear, since the Soviet defense budget remains highly classified. He has also announced a 19.5% cut in production capabilities. But 19.5% of what is equally unclear here. Even if applied to Soviet production of 3400 tanks per year, the Soviets would still be making 2700 --a level nearly three times that of NATO. Instead of manufacturing enough artillery for four artillery regiments every month, the Soviets will make enough for only three regiments. Intentions are one thing; capabilities are another. The Soviets are saying, "Trust us to fulfill our newly stated intentions." I would like to, but I must also look at the iron on the battlefield, the capabilities of the Soviets to do other than what they say then intend to do.

In addition to tanks and artillery, the Soviets are fielding two new types of ICBMs -- the SS-24 and the SS-25. They also continue to modernize their short-range nuclear missile forces, notably through the replacement of their FROGS with the more capable and increasingly accurate SS-21 missile. They have commissioned their fourth 40,000 ton Kiev class aircraft carrier, and this year will undertake sea trails with their new 65,000 ton Tblisi class carrier. Their recently fielded Blackjack bomber is a highly sophisticated aircraft. They are building Foxhound, Flanker, and Fulcrum fighters at an accelerated rate. New and increasingly silent submarines are being produced at the rate of nearly one a month. This equipment is a collective demonstration of first-class technological expertise. It is highly capable, highly lethal, and in numbers far exceeds the forces necessary for the defense of the Soviet Union or the Warsaw Pact.

The question before us is: "How do we face a situation as potentially dangerous as this?" My view is that we do so by remaining absolutely stable and predictable. The best way we can help President Gorbachev meet his stated objectives is by ensuring that the Alliance remains strong and steady. If we do this, then instability and unpredictability in the East can be met with stability and predictability in the West.

Our European Allies face the same task. They contribute to the common security in two ways. First, they provide substantial forces to the Alliance. Of the 22 divisions currently deployed on the central front, for example, 18 come from our NATO partners. In the event of hostilities these nations initially would provide 90% of the manpower, 75% of the tanks, 90% of the artillery, and 80% of the combat aircraft.

Equally important, but less well understood, is the non-monetary contribution our Allies make. In the Federal Republic of Germany, a country the size of Oregon with the population density of the Eastern seaboard, there are nearly 900,000 men and women under arms. These Allied forces participate in over 5000 exercises per year and make over 110,000 low level training flights annually. This burden, borne by our Allies in Europe, is one which the American people have been spared.

Nor can we forget that economically, culturally, historically and politically Europe is vital to American security. American citizens have a greater financial investment in Europe than they do in any other area of the world; nearly one-half of America's foreign direct investment is in Europe. Foreign trade with the nations of the North Atlantic Alliance exceeds that with Asia, the Middle East or any other area. There are, moreover, strong cultural and historical ties between the United States and the European members of the Alliance. Nearly half of those Americans claiming single-nation ancestry list one of the European NATO nations as their cultural home. We share with the nations of Europe the democratic system of government that is so central to our way of life.

Preserving that system of government is our objective. If possible, we hope to protect it through the deterrence of war, but if necessary, we must be ready to defend it. Twenty years ago Pierre Harmel gave us a formula for accomplishing this task. He said we should do two things: stay strong and be prepared to negotiate. Harmel's advice remains valid and appropriate in today's world.

III. Staying Strong

The first step in staying strong is ensuring that we have the right strategy. Very often today you hear voices calling for a "new strategy." They state this as if NATO has unthinkingly locked itself into an invalid approach, or a strategy that no longer fits the times.

We have today the strategy of flexible response and forward defense. From a military viewpoint this is not the classical defensive posture. It does not trade space for time. It does not allow attacking forces to come in deep, revealing the objectives of their attack, so that we can then shift appropriate forces to deny them their objectives. It is not a defense that allows for economy of force along some sectors of the front so that we can channel an attacker and defeat him in time. It is just what it says it is: a doctrine of defense at the forward reaches of our territory. We do not allow any operational penetration.

But we have a flexible component to our defense, and that flexibility comes in our willingness to meet any attack with an appropriate level of defense. It is based on a triad that allows for direct defense, deliberate escalation and general nuclear responses. This concept is central to the primary objective of our strategy, to deter war in Europe. The best way to deal with the specter of war is to prevent it from happening. If deterrence fails, which it has not since the foundation of NATO, then the Alliance must be prepared to defend. The more we can show the ability to do just that, the less likely it is that deterrence will fail. In other words, in order to achieve our objective of deterrence, our defense must be credible.

But whatever strategy we adopt, it is useless unless we support it. To provide this support, we must continue to upgrade and modernize our equipment in both the conventional and nuclear arenas. Small advantages can make a vast difference. The fighter aircraft with slightly better electronics and greater maneuverability will sweep the skies. The tank that can fire one second faster that its opponent wins on the battlefield.

In the nuclear arena there is one clear priority -- the continued modernization of our theater nuclear weapons. In 1983, NATO Defense Ministers agreed to reduce unilaterally NATO's nuclear stockpile by 1400 weapons. This reduction combined with the previous unilateral reduction of 1000 weapons bring NATO's nuclear stockpile to its lowest level in twenty years. At the same time ministers identified a number of needed modernized weapons to ensure that the Alliance retained systems which are effective, reliable and survivable. These requirements remain valid today. We need to upgrade 155 mm artillery fired nuclear warheads, acquire the SRAM-T tactical air-to-surface-missile for dual capable aircraft, and develop the Follow on to Lance (FOTL). This modernization is an important part of our current Allied

Command Europe nuclear weapons requirements study which could result in a sizeable reduction in our nuclear stockpiles without any loss in the credibility of nuclear deterrence.

While our goal is to decrease reliance on nuclear artillery, the need for some of these weapons will remain. Modern nuclear projectiles contribute to deterrence by providing a capability to respond to threatening "breakthrough" concentrations of Warsaw Pact armored and mechanized forces, thereby denying the Pact the offensive capabilities to strike deep into NATO territory.

SRAM-T allows better aircraft penetrability. More of our heavily burdened dual-capable aircraft would survive with the greater standoff potential and we could hold high-value, deep targets at risk with weapons systems based in Europe.

Our current Lance is aging rapidly. We have upgraded it as much as we can. If we do not take the research and development steps now, our missile-based nuclear forces will become obsolete in the mid-1990's. Unlike aircraft, which are readily targetable at a small, fixed number of air bases, Follow on to Lance with an enhanced range (allowable under the INF treaty) could hide in hundreds of places, and would have the reach to make it an effective deterrent.

But no leg of our triad stands alone. Each is closely interrelated to the other. Our conventional forces must be strong enough to allow rational decisionmaking by our leaders. It should be strong enough to prevent quick success by an attacker seeking to achieve operational and strategic objectives with conventional forces alone before NATO has time to react.

The first requirement of our conventional forces is to prevent a breakthrough by the first strategic echelon of the Warsaw Pact. This means that we must have adequate early warning to put our forces in place, and adequate firepower and reserves to allow for a direct defense in the close battle. That means that we should have the right number and mix of units with the proper equipment to meet and hold a massed Soviet/Warsaw Pact mechanized force at the tactical level. We will rely on a variety of weapons systems to do this, including: the Tornado, F-15, F-15E, and F-16 aircraft; the M-1, Challenger, and Leopard II tanks; the Patriot and the Roland air defense systems; the AH-64 and PAH-1 attack helicopters; new infantry fighting vehicles; and the NATO AWACS.

Even with all this, however, we will not be able to hold unless we can win the battle in our rear while delaying and disrupting the second strategic echelon of Pact forces that will be trying to reinforce the close battle. If we do not break up and slow the operational maneuver groups and other soviet reinforcement and exploitation forces, the attackers could rip a hole in our defenses. If at the same time our rear operations, so critical to sustain the forces at the front and provide them with direction, are disrupted we will almost certainly be faced with a critical situation.

There is, therefore, a delicate relationship between the close, rear, and deep battles. The artful use of combined arms and integrated operations will be necessary for survival. We will also need the right equipment. the Battlefield Intelligence Collection and Evaluation System (BICES). Joint Tactical Information Distribution System (JTIDS), and TR-1 high altitude reconnaissance aircraft, packaged together under JSTARS, will help locate, target, and strike the appropriate elements of the Warsaw Pact. Combined with the correct mix of aircraft and electronics (F-14s, F-15s, F-16s, and F/A-18s), our ability to locate and attack Pact operational elements should have a good chance of breaking the momentum of their attack.

I cannot stress enough the importance of having the proper weapons systems and ammunition in the right quantities to conduct a successful defense. The air battle requires the Navy's Phoenix missile and the joint Navy/Air Force medium range AIM-7M Sparrow, as well as the AIM-120 advanced medium range air-to-air (AMRAAM) missile systems. To penetrate Warsaw Pact reactive armor the ground forces need a 120 mm smooth bore main gun (on our M1A1 Abrams tank) as well as the Apache Hellfire missile.

The Patriot system will be the centerpiece of the theater's air defense network. Since the Pact begins with a greater number of combat aircraft than we do, reinforced by a massive air defense system, we will be compelled to generate a greater number of sorties with our smaller number of aircraft. This means operating both at night and under adverse weather conditions. Systems such as LANTIRN (low altitude navigation targeting infrared for nightflight) will help in this regard.

To integrate all of the complex weapons systems into an operational plan it is important that our forces train intensely at every level. I am studying ways to capitalize on computer and simulation assisted training to teach the proper principles and techniques at all levels, from the lowest units to the highest. We must develop the best operational doctrine at the top -- at echelons above corps -- and implement it with highly proficient tactical commanders. If we do this right we should be able to decrease the size of some of our exercises with no loss in readiness and with less detrimental impact to the environment.

While proper equipment and doctrine will do much to enhance our chances for success in the close, rear, and deep battle, we cannot hope to win a conflict of any duration without adequate reinforcement and sustainment. In Europe, the overwhelming majority of reinforcements flow from the United States across the Atlantic. Some will come by air (about 10%) and the C-17 cargo aircraft will provide the necessary augmentation to the C-5 and C-130 intertheater and intratheater efforts. But the majority (the remaining 90%) will come by sea. I am confident that our maritime strategy will drive the enemy away from our SLOCs. We will need, however, the continued development of our sea lift capabilities. The SL-7 roll-on, roll-off ships have been a step in the right direction. We need to continue the Surface Effects Ship (SES) program to enhance our sea lift into the late 1990s and cut the cross-Atlantic transit time from the current 10 - 19 days to three days.

But with all of the ongoing improvements, I do not yet have the sustainment capabilities necessary for continuous operations in a hostile theater. Shortfalls exist in readiness and availability of support units; POMCUS fill; theater war reserve stock of preferred munitions, equipment, spar parts, and medical supplies; warehousing to support prepositioning; and host nation support. The United States has committed itself within the Alliance to providing ten divisions in ten days (the "10 in 10" concept). We have yet to fulfill that commitment. A war of any duration demands adequate sustainment. It would be doubly tragic to cede our objectives and sacrifice our soldiers, airmen, sailors, and marines because we could not support them after we committed them to battle.

Finally, we will need the command and control apparatus to give direction to our forces. As I have tried to describe for you, the campaign in Europe will be highly complex with a great many operations unfolding simultaneously. The right forces, logistics, and doctrine can only be applied in the course of a campaign if we can continue to exercise proper command and control. The battlefield environment and the enemy both will be working against us. Our systems must be robust, redundant, and timely if we are to continue to operate with success. Command and control systems should take into account evolving technologies without delaying the timeliness of the fielding of new systems. Only with the proper direction will we be able to put all of our resources to their best use.

IV. Arms Control

In recent months, the Soviets have made some momentous admissions. The first one was by General Akhromeyev, former chief of the Soviet General Staff, who when speaking at the Council of Foreign Relations in New York City in the late summer of 1988 said that up until then the Soviet military had been offensively postured, but that they were going to change to a defensive posture. Then, last December, President Gorbachev in his U.N. address pointed out that by removing 5000 of the 10,000 tanks in the forward area he would be shifting to a defensive posture. These are admissions of something the Soviets long have denied, that they have been an offensively postured military power.

Not only have they made these admissions, but they have established the precedent that the bigger side must come down first. The INF Treaty was a victory in that regard. The Soviets pulled out 1600 warheads to our 400. The Gorbachev promise of unilateral conventional reductions reaffirms that precedent. But it should not obscure the fact that even with asymmetrical reductions, the Soviets remain vastly larger.

The conventional stability talks, due to take place soon, will be a major forum for arms control negotiations. It is very important that we provide military expertise to those talks. I can tell you that conventional arms control is a very complex issue.

It is not just a question of numbers. There are a host of intangibles in conventional arms -- such as leadership, doctrine, training, morale, and readiness -- that have a direct impact on capabilities. Decisions might be made at those talks which could affect the size of exercises, and the structure, equipment, and doctrine of our forces.

The significance of the size of forces is itself difficult to measure. The balance is dynamic, not static. Initial numbers are less important than the rate at which either side can mobilize, bring in reinforcements, and equip them for sustained operations. How the numbers flow over time has critical effect on the length of warning time we can expect, and how much surprise the Soviets might be able to achieve. Furthermore, the dynamics change from year to year. What the Soviets can mobilize in 1989 at M+15 and M+30 may very well be different than what they can mobilize in 1991 or 1999 in the same time periods.

We fight today with combined arms, the integrated efforts on air, land, and sea. While Soviets ground forces remain formidable, we also have to be concerned with their air power. The Soviets like to say that we have advantages in the air. This is simply not so. By Soviet accounts, they do not include their home interceptors in the balance of air power. Yet these 1700 aircraft can be very quickly redesignated as fighter aircraft, with virtually no change in the hardware. Their pilots are trained for such a contingency. Therefore, they have advantages in the air, as well as the ground, that must be taken into account.

The air battle will be critical. Our air power should be capable of keeping Soviet reinforcing echelons from closing intact to the front. If they do, they will overwhelm us. To stop those succeeding echelons will take a great coordination of different types of aircraft flying different missions and using different tactics. It is critical that we have the right mix of combat systems, well trained crews, and proficient leadership to put together the package needed to control the skies and break up the massive Soviet ground formations.

The Soviets also like to play up the superiority of the West's navies. But this ignores the fact that it is ground forces that take and hold terrain. It also ignores the fact that we have a 3000 mile ocean that separates many of our ground forces and their sustainment from the area that they will have to defend. We know that naval forces trying to defend lines of supplies that stretch across the ocean require many ships. In the first four months of 1942, no more than 13 submarines were able to sink 307 merchant ships in American coastal waters, despite a prevalence of Allied combat ships. In the first 30 days of hostilities, we would have to send 1000 shiploads across the Atlantic. Ninety percent of what is needed must come by sea. That will require a great deal of protection at sea. Of course, you do not protect shipping merely by providing convoy escort. You protect them by keeping opposing naval forces out of the North Atlantic. This requires a strong NATO naval force, which must be preserved and kept at a high state of readiness.

As we move into conventional arms control negotiations there is risk involved. The first risk we run is in tampering with our strategy. We have carefully considered the best strategy for our Alliance and have concluded that it remains forward defense and flexible response. As we negotiate in all areas, conventional and nuclear, it is important to understand that arms control impacts on our ability to uphold our strategy. At some point, if we go far enough, we may have to revise the strategy. That should not be something we back into, but do only with full awareness of what it means.

The second risk deals with our force structure. The effectiveness of a force is measured by a variety of means: reinforcement capabilities, sustainment, doctrine, strategy, tactics, organization, and training. No part is independent of the others. Modifications in one of these areas affects all of the others. It is not in the Alliance's interests to enter into negotiations that could completely undercut its strategy.

The third risk we encounter has to do with our ability to verify all that we agree to. This is a tough area, in conventional arms much harder than for nuclear weapons. It would be impossible to have a 100% inspection of all conventional forces. There are just too many things to check. It would be inordinately expensive, and may not tell us with we need to know. We are already spending a great amount of effort on verifying the agreements under the Stockholm Accords and the INF Treaty. To do it right requires a substantial overhead--Russian speakers, escorts, accommodations, communications, and transportation. Conventional verification will be even more difficult. Verification on chemical weapon agreements would also be hard. Since the major ingredient in chemical weapons is alcohol, and since there are so many ways to produce them, adequate verification will be very difficult. Yet it is vital to have a way to ensure that agreements are being met.

These risks must weigh heavily in the negotiations. If we do not move through them intelligently; then we could end up worse than when we began.

IV. Taking Care of Our People:

We also have an obligation to take care of service men and women and their families by providing them with adequate compensation, medical care, and housing. As much as we can, we should offer them reasonable working, living, and recreational facilities.

They serve with discipline and loyalty so that their countrymen might live in peace and security. They often make sacrifices of their own well being and life styles that would be intolerable in the private sector. They are a proud group who have volunteered for duty and who serve with dignity. They do not deserve family separations beyond those already demanded by their duties, further increases in fees for routine services (car registration, recreation center fees, PX items, and youth activities), slower promotion rates, and extended tours overseas. The slide of the dollar has exacerbated the cost of living for virtually all of the service men and women in the theater. We should not allow further reductions in currently funded programs.

V. Conclusion:

In all of these areas I strongly urge your full support. American forces are in Europe because it is in the U.S. national interest to deploy them forward. These forces must be maintained and supported in a manner that allows them to face with confidence the Warsaw Pact forces that stand on the borders of NATO and threaten the security of our Alliance.

SOVIET MILITARY CHANGES

Mr. **Murtha**. Mr. Gorbachev of course has been talking about what he is going to do. They have made official announcements. They are pulling out of Afghanistan. I think there is a perception in the United States that they are at least saying the right things.

When we were over in Europe, they talked about how they still weren't convinced that Gorbachev was going to be able to carry out the announcements he made.

What do you see from a military standpoint? Do you see any change in the threat in Europe?

General **Galvin**. I think that there are indications of intentions to change the military; that is to be willing to make reductions in the military forces. I think there are indications of intentions to change from an offensively oriented force to a defensively oriented force.

I found it interesting when Akhromeyev was in New York over here and talked to the Council on Foreign Relations——

Mr. **Murtha**. When was that?

General **Galvin**. That was in the fall. When was that? Late August 1988.

He said they were offensively oriented but they are going to change. That is the first admission I have seen where the military said they were offensively oriented.

In the speech in the U.N. when Gorbachev said, "we will take out tanks, we will take out such things as assault crossing units," he was obviously responding to the pressure from the West that had been on for a long time to change from an offensive orientation to a defensive one.

However, we still have to look at that old equation of intentions versus capabilities because intentions can rechange back in another direction over night, but if you have let your capabilities drop down, it would take a long time to bring them back up.

As you know very well, weapons systems programs are usually many years long. Ten years is not unusual for the creation of a weapons system. I think we need to keep our powder dry as we watch what happens here and hope for the best. But also I think there is a question of beyond the military part of it, this entrance into an unknown time ahead by the Soviets in which we don't know what will happen in the Eastern satellites. We don't know what will happen inside the Soviet Union. There could be more instability in the future than we have seen in the past.

So there are really two parts to the threat that I see. One is that military is still there, although they are talking about coming down and changing——

Mr. **Murtha**. So there has been no actual change in the military disposition. For instance, they are talking about moving actual combat units back into Russia. That hasn't happened yet?

General **Galvin**. Nothing has happened yet. My estimate is that the Soviets will have to work very hard to make the changes they have already indicated they might make over the next two years. That is, take the 5,000 tanks out of the forward locations and the rest of those changes. As you look at in detail what will be involved in that, it will take some time. Nothing has really happened yet.

REDUCTION IN FORCE

Mr. **MURTHA**. You said your capability doesn't really meet the various missions you have. Even in all-out war, you obviously would have to be reinforced.

If you were to dismantle the Pershing, and GLCM missiles, would it hurt your capability at all if you brought those 10,000 people home?

General **GALVIN**. When we put the Pershing II in, we were then operating under the ceiling which the Congress had mandated for Europe, and so in order to get the 6,000 positions for the Pershing II people, we had to take 6,000 other positions out. What we took out were such things as other types of artillery men, but across the board we took out positions in order to stay under the ceiling.

If we now take out the Pershing II, what I would like to do is replace those 6,000, because in the meantime other things have changed. We have the MLRS units coming in, the attack helicopter battalions arriving, and we are going to need the manning of those forces.

So I would like to try to stay to the same ceiling, at least to the same ceiling as we have had before. As you know, the Department of Defense has asked for relief from that ceiling, but I would like to at least stay with the ceiling that we have.

Mr. **MURTHA**. But you were able to get along without those 10,000 people by shifting them into the Pershing missile sites; you were able to get along without them?

General **GALVIN**. Yes. Because to some extent, what we picked up in risk of doing without them, we satisfied with having additional missiles. So there was some kind of rough balance, you could say that.

BUDGET PRIORITIES

Mr. **MURTHA**. This is a key year and we have got some big systems for funding. We have got the C-17 aircraft, which is a big program and so important to the Army.

We have the LHX helicopter, which is a top priority of the Army; we have the V-22 tilt rotor aircraft, which is one of the Marine Corps' top priorities. We have got the argument between the MX and the small missile. We got the B-2 aircraft and we have a limited amount of money.

I am afraid we are going to get into a position where it is going to be necessary to cut back on the support of the troops and the other things that we need in order to keep high morale. We are starting to feel a shortage in recruitment. For instance, for the first time we have had to take a much higher percentage of category 4's than desired.

I am just worried if the President is not willing to raise taxes we won't have the money available to support the troops the way they should be supported.

I'm thinking there may be a way to pull troops out of Europe and reduce end strength—it does two things. One, politically, it sends a signal that we are pulling troops out since you are able to get along without them. And also we are able to reduce our forces by 10,000 troops and 10,000 dependents.

I am not asking you to make a recommendation because I know your missions are so extensive that you can't handle them the way it is. But what I am asking you to do is to consider the problem we face in this committee, and this is the committee that has forced spare parts, sealift and everything else onto the Defense Department. So we are looking now at how we can balance this thing with the responsibilities that you have.

General **Galvin**. I think there are some ways to look at what we should give up, if we have to give up something, and I think it is a pretty legitimate question to ask me what my priorities would be.

Actually, of course, I could answer the question by saying I don't want to give up anything. And that would be very true. But if you said, all right, if you are going to need MLRS and LHX and some other things in the future and immediately, now, and if you have got some zero base here to things, I would say that the first thing we need to look at is the amount of large field training exercises that we do and in fact I am looking at those.

I think, for example, I have spent 10 out of the last 15 years in Europe and I have been on nine or ten Reforgers and a lot of other things. I think we need to build big exercises where we need to, but look harder at precisely what it is we want to train. Sometimes we need to train generals and admirals in operational art more than we need to train privates and corporals, where we can train them in smaller exercises.

So I think if we cut some of the exercises, the larger ones, especially those that have a lot of deployment of forces by air and sea, which is very costly, that we could put our noses to the grindstone and get the same level of readiness or close to it at a lower cost.

A second priority for me would be OPTEMPO. We are going to have to look at how many thousand kilometers a year we drive our tanks and sail our ships and fly airplanes, how many hours. I think we could look at modernization. I would tend to look at modernization before I would look at force structure in Europe.

LHX HELICOPTER

Mr. **Murtha**. That is a good point. The LHX helicopter, how important is that to you in Europe and at any point in time?

General **Galvin**. I think it is very, very important to me in the long run. But if I had to put that up against force structure, especially in the current levels of force structure, where, for example, we have four divisions forward, the Soviets have 19 divisions in East Germany alone. I would say, I would very seriously consider stretching some programs in modernization before I would give up the force structure.

C-17 AIRCRAFT

Mr. **Murtha**. How about the C-17?

General **Galvin**. I really need the C-17. I have been pushing hard to get the C-17. As you know, already the C-17 is stretched out compared to the way it was going to come on after the initial approvals. It is getting a longer and longer stretch over the years.

Mr. **Murtha**. So what you are doing, is relating the problem to the missions you have, which is something the commander in chief with the Joint Chiefs of Staff decides. But as a whole, the problem you have with the troops you have now, is you don't have the capability of fulfilling all those missions. That is what you are saying?

General **Galvin**. I think so. Probably you could say I am looking shorter range basically because I am out there trying to get the mission done.

Mr. **Murtha**. Mr. McDade.

FISCAL YEAR 1990 BUDGET

Mr. **McDade**. Thank you.

Welcome. We are always delighted to have you appear in front of the committee. We want to thank you for what is always a cogent and very honest statement.

Let me just talk to you about some of these issues that, as we see this budget beginning to shake out and change form, give us all some pause. None of us want to get back to the days of the hollow Army, and sustainability of course, those items you were talking about, and how we deal with them, are a major issue for all of us. And what concerns me is whether or not we are heading that way again.

Let me just illustrate a few things and give me your comments. Even though we have a two percent growth in the submitted budget, maybe not the final budget, but the budget that has been submitted, there are cuts in spares and maintenance backlogs continue to grow.

If you look at a sustainability item, just one of them, what caught my eye was Army ammunition. From 1986 to 1989 the appropriation declined by 16 percent and in the budget just submitted, in fiscal year 1990, there is a additional 15 percent cut. In fiscal year 1991, there is another 12 percent cut slated. Now this is in a budget that proposes to have two percent growth in it, and if you believe what you are hearing on Capitol Hill, it isn't even going to hit zero growth. That takes us back to the level of the 1970s in terms of dollars put in to sustain you with respect to that account for ammunition, and it looks like we are going to see a lot of other cuts in these so-called non-glamorous items.

I wanted to get your impression if those figures, as you see them, are accurate, and what do you believe the impact is upon the general level of sustainability and the question of whether or not we are heading back down that slope again.

General **Galvin**. You are right that, when there is a crunch with the budget, the tendency is to cut the less glamorous things, and they tend to be repair parts, ammunition, forward stockages, and strategic lift. And as I go and look at the Army, Navy, Air Force, and Marines forward deployed in Europe and planned for Europe in the event of a war, that is exactly where the weaknesses are.

For example, the Army's forward stockages of POMCUS. In other words, the division stockages of equipment put out ahead and sets of equipment for the six divisions that should get over there in ten days is something we promised we would do as our contribution to the defense over there. And that is only ——— complete.

Now, in the POM, the current POM is up to ——— but that is another five years just to get to ———.

Mr. **Murtha**. Is that ——— of the ten?

General **Galvin**. ——— of the extra six.

Mr. **Murtha**. So you have a full complement?

General **Galvin**. The four divisions over there are pretty much full complement. The combat and combat support are in good shape.

But ammunition, for example, and preferred ammunitions, only ——— of their requirement is forward located for the Army.

It is the same thing if you go to the Air Force.

PREFERRED AMMUNITION SUPPLIES

Mr. **Murtha**. What is preferred ammunition?

General **Galvin**. Preferred ammunition is a whole series of things, AIM-9, TOW, various—that is improved TOW and so forth. It is the modern ammunition.

Mr. **Murtha**. ——— in other words, is what you are talking about not being available,

General **Galvin**. That is right ——— of what we say, that is what the U.S. Department of Defense says, is necessary for the United States to stock forward is stocked forward.

Mr. **McDade**. The budget has a further ——— cut in ammunition and in the year beyond that ——— additional in fiscal year 1991. It looks like we are going right back down into that difficult condition that we tried to get out of. To me, it looks that way. Does it look that way to you?

General **Galvin**. I have, ever since I started looking at this with the Chiefs of the Services and the Defense Department, I have tried to look across the board, and I have ten different categories that I look at, including the availability of the reserve forces, the readiness of those forces, the balance of combat, combat service support, the warehousing available in Europe, the strategic lift and a whole set of those. I am satisfied that my requests get a hard look and right now, as you know, when Duane Cassidy was in here this morning, he talked about the series of meetings, boards, and studies that are being made, and there has been over the past couple years some improvement in the situation.

But if you look at POMCUS, for example, at the current rate it would be about ——— or more before we would have the rest of that stockage in Europe. So every year we get some fill. If you count the amount of ammunition we put in it in a year in terms of five-ton truckloads, it is a lot of truckloads, but the fact is that one day of supply for the forces that would fight over there is probably somewhere near ———, just the supplies that force would use up in a high intensity war.

So it is a tough question all the time of, will I take ——— out and buy some ships for strategic lift? However, you are right in your judgment of it that what tends to not come up in the high priorities is the less-glamorous stuff, tanks that are not going to be used by troops but go into warehouses, ammunition to be put in stockages overseas, this kind of thing.

Mr. McDade. It get very high profile. For example, we talked to General Cassidy who says straight out, and I am sure you would too, there is no way TRANSCOM could meet the target with the airlift and sealift that is available today to get them to you.

General Galvin. That is right.

Mr. McDade. It looks to me like we are in danger of going back that same route.

Thank you, Mr. Chairman.

BUDGET REDUCTIONS

Mr. Murtha. I think what he is saying is you are the ones that have to make the decision. When I say "you" I don't mean the CINCs, I mean the military in conjunction with the commander in chief. We are looking at sequestration here. They are talking about $8 billion out of Defense in outlays; that could amount to about $33 billion in budget authority. That would be devastating to the defense budget.

There is no way, obviously, we could meet that kind of a shortfall.

Mr. Dicks.

SEALIFT REQUIREMENTS

Mr. Dicks. Welcome, General. When we had General Cassidy here, we got into this question of transportation. I want to make sure of the figures he gave us.

I think he said that of the six divisions that we have to get to Europe, we only have ——— of the POMCUS.

General Galvin. About that.

Mr. Dicks. So that would be obviously, an urgent lift requirement.

General Galvin. Yes, sir.

Mr. Dicks. And the four other divisions that are there had some deficiencies as well.

General Galvin. That is right.

Mr. Dicks. Now, from your viewpoint, you know, we set these goals and objectives, but sometimes, whether we can fulfill them or not has been a question. Ten divisions deployed in ten days—many of us supported the C-17. But you know, when you look at sealift, shouldn't we be doing some things with that side of the equation? I understand that we are trying to evolve a policy. You know policies are fine, but do we need to be doing some things at the same time that we are going forward with C-17, to augment sealift, and do you have any recommendations in that area?

General Galvin. ———.

Mr. Dicks. And that is including the first ten days?

General Galvin. Yes, that is including everything. That is including from day one everything that has to go, ——— of that has to go by sea.

That doesn't mean a lot doesn't have to go by air. During the first 10-15 days, the predominant means of delivery is airlift, and we need to get the C-17. But what we don't have is we don't have the ships.

Now, there is an arrangement where our allies have said that they will commit ships and they commit them by name to that sealift cross. But those ships on any given day are in port in Bangkok loaded with refrigerators or something and would be 20, 25, 30 days away from a port where they could load on the U.S. east coast or the Gulf coast.

Mr. Dicks. Just to follow up on that point, as I understand it, and I can't remember exactly the terminology that was used this morning, but there are some ships owned by Americans flown under foreign flags with foreign crews that we could take control over. Is that separate from what we are talking about here?

General Galvin. Yes, that is right. We have our own ships and even though they may be flown under foreign flags, the owners will give those ships over to us. We have made arrangements with them for that.

Those ships, by the way, do not have U.S. crews, I am sure you know.

Mr. Dicks. Right.

General Galvin. Now, the whole set-up——

Mr. Dicks. How formalized is that arrangement? Are those ships named?

General Galvin. Those are ships—I am not really sure of the details of whether we know the ship by name but I do know we can get control of the ship. I would have to refer back to Duane Cassidy to get more detail.

There are two studies going on now which I have pressed hard in support of these studies, and that is the Improved Force Closure to Europe study. And there is another one the Department of Defense is doing called the Revised Inter-Theater Mobility study.

But the real thing, when you look at this is, do we, can we tighten up those rules I just mentioned? Can we get a better merchant marine the way we had before, or is that impossible, and do we need to look at a national sealift policy?

The real point is that there is hardly any facing up to this problem and you have hit the nail right on the head. The problem is that we do not have the sealift to get the reinforcements across. When you try to work it out, war-game it out, the ships are too spread over the seven seas and the four corners of the world, and you just can't get there from here unless you have a long-warning time, and that sounds good to have a long-warning time except who would make the kinds of decisions necessary to mobilize sealift unless you were absolutely sure that you had to do it? Because this is a big economic question, too, a financial question.

Mr. Dicks. As I sit here as a great supporter of the C-17 and I have supported it, fought for it. I thought we should do that rather than the C-5, we should have accelerated and built it. I wish we had it already. But I sit here and look at this budget situation we are in. We are going to spend $38 billion on C-17 and you are telling me airlift represents ——— of a solution. And the other ——— we are leaving unattended basically.

Now, it seems to me what we ought to have is not an airlift policy, what we need is a transportation or a lift policy. How are we going to do this? Some of the money that we are committing ought to be to augment sealift.

What are we going to spend over that time period on sealift? It has got to be a fraction of $38 billion, doesn't it?

General GALVIN. It is not very much. I couldn't tell you, but it isn't a lot.

Mr. DICKS. Does that make any sense when you sit back and look at it?

General GALVIN. Well, I would have to say again the most important part to me, the worst problem is the sealift, but I also——

Mr. DICKS. We are leaving that totally unattended. I don't think that makes sense.

General GALVIN. I need that C-17, though.

Mr. DICKS. I am not going to say we are going to take that away from you. I don't understand the policy that addresses ——— of the problem and leaves ——— unattended.

General GALVIN. You would have to say it is not a good policy. Now, the one thing I could say in response, that would be positive in terms of people making the policy is that those two studies are underway.

General Cassidy's operation has been created, which we didn't even have before, which is hard to believe, but we had no transportation, single transportation organization. And I think that he can have some success as long as he and I and others keep pushing this program, and of course as long as you do.

Mr. MURTHA. Some area is going to have to give and that is the thing we are trying to get into balance. We don't reduce troops, modernization is going to have to go. If we reduce modernization we stretch out system procurement which is the worst way to do it. It costs you so much more money per unit.

POMCUS SHORTFALL

Mr. DICKS. Can you give us what the budget is for POMCUS shortfall? Did you say ———?

General GALVIN. It is more than ———. Something in the neighborhood of ——— from now, if we kept up at the rate we are going now. I think it is more years than that. I can provide you that.

[CLERK'S NOTE.—Classified insert removed.]

Mr. DICKS. I guess there is another way to solve this problem, too. One way to attack the transportation shortfall would be to accelerate POMCUS, unless we are worried about vulnerability, which I am always worried about.

Is the reason we don't have POMCUS there because we are worried about vulnerability of the POMCUS sites or is it a lack of money?

General GALVIN. It is a lack of money.

Mr. DICKS. In other words, you would favor if we had the money, to go ahead and fill up those POMCUS sites at this time?

General GALVIN. I would.

Mr. DICKS. That would help us on the transportation problem somewhat?

General GALVIN. That would help us a lot. Some of this as we get into, is getting more towards classified questions.

Mr. DICKS. We are in a closed session.

General GALVIN. We are closed. Okay.

I think, yes, not only that but the POMCUS itself.

Mr. **Dicks**. So there are some major deficiencies?

General **Galvin**. There are major deficiencies.

Mr. **Dicks**. Can you explain on the record what those major shortfalls and deficiencies are?

General **Galvin**. I can, yes, and I will do that.

[Clerk's Note.—Classified insert removed.]

CONVENTIONAL ARMS CONTROL

Mr. **Dicks**. Let me ask a question.

We have heard about Mr. Gorbachev's proposals. We will wait and see how that goes.

We are entering into a very important set of arms control negotiations which will start in Vienna on conventional arms control.

What is your view on that and what do you think NATO's approach and policy should be in terms of conventional arms control?

General **Galvin**. I think we should get to the table, exchange the data and go in the first phase for rough parity, parity of the forces. I think NATO's approach, which is let's start with the ground-gaining capability, tanks, and so forth, is a good one.

I think their figures when they say let's have a total of 40,000 tanks in Europe, they don't say in their meaning 20,000 a piece because of ——— but that's what it does mean and the approach is a good one.

If we did go for 20,000, for example, as you saw yesterday in the paper ———. So that would mean they would come down ——— tanks to reach that level.

We would have to come down ——— to reach that level, which shows you, by the way, the enormity of the difference in the ground-gaining terrain holding capability of the two sides just in that one example.

I would like to see us reach a rough parity. If we can't reach parity, I don't know what we are after in this thing.

Once we reach parity, the next question would be, can you have deterrence of war, defense in Western Europe at even less forces, or to put it another way, if their force is always going to mirror your force or be roughly the same, how small can you be?

We have 22 divisions forward right now in the front that covers about a thousand kilometers from the Baltic down to Austria on the central front, not counting the flanks. There are 22 divisions there. A division normally covers 40 to 60 kilometers of frontage. If you work that out, it is about the best you can do.

Once you start to say can you do it with 18, 15, what happens is the terrain begins to govern. You have to pull away from a forward defense, and you have to go into a more orthodox classical defense which is give ground-gain time, use maneuver more than we are doing right now. That is what would happen.

You would need a new strategy. The first thing to do is to get to parity.

If we could get to parity, we would have done something so great it would change the whole picture, and we could begin to look at some of these other issues.

Mr. **Dicks**. When the Soviets say they are going to take their divisions and reconfigure them so they will be defensive in their orientation, what kinds of things do you think would be descriptive of a defensively-oriented force?

General **Galvin**. They take the tanks out, take the capability for armor mobility out, the infantry fighting vehicles and especially the artillery because artillery supports any kind of attack and especially self-propelled artillery.

You have to take out infrastructure; that is, first you want to get—they have enormous levels, up to ——— of ammunition stationed forward, literally mountains of ammunition. So what we should ask for is get that ammunition moved back, you don't need it up front if you think you are going to defend. All you would be doing is getting your ammunition overrun. You need to move that ammunition back if we are talking about defense and that would mean you build up warning time because no one could move that kind of ammunition forward without somebody noticing it and so that would be a big help.

But you need to take out command, control, communications structure so that you are not able to just fill back in again very quickly and move on.

That is the basic idea. You could go down through a list of things that would cut assault and attack, and offensive capabilities.

I have ten officers in my staff there in SHAPE, in my other hat, SACEUR, and I have five in Stuttgart who work on these issues.

We have 27 different capabilities such as decisionmaking, mobilization, deployment, reinforcement, air space management, maneuver, fire power, all those things, and we are going to need to go over those with the Soviets——

Mr. **Dicks**. Has that been done at all at this point?

General **Galvin**. No. There is no real contact.

On those issues, what there has been up until now is, of course, the kinds of verification and specifications that we are making, which are good. Those are turning out to be something very important. We have never had dialogue with the Soviets on what our concerns might be, which, by the way, is not so good.

We should be having that, and the Soviets have a Directorate of Arms Control; it has been there a long time. All their officers are trained. They have come up through the schools. That have experience in the field.

There are lots and lots of Soviet military that know a lot about arms control. There are not very many U.S. military who know a heck of a lot about arms control because our approach has been in 14 years of MBFR that went nowhere.

Keep us briefed, let us know what happens.

Mr. **Dicks**. Who is going to handle our negotiations? Do we know yet?

General **Galvin**. Our negotiations are being handled by a team, obviously that is composed of all of the nations. There was a big fight over that, but it ends up it will be the 16 nations of NATO versus the seven of Warsaw Pact.

It will be in Vienna, and each nation will have a team.

Mr. **Dicks**. I am sure your people will be consulted, all these people we are talking about?

General **Galvin**. Well——

Mr. **Dicks**. By our negotiators?

General **Galvin**. In MBFR the SACEUR had a representative in the room. Right now I do not have a representative in the room. I have written a letter to the Secretary General of NATO telling him I need to have a representative in the room. I have talked to SACLANT, Frank Kelso, for example, and there is another commander, a British admiral, and we have agreed what we need is for me to represent those other two at those meetings.

So we are agreed on the military side except nobody else has agreed with us, so I am not there and I am still urging the powers that be, including the U.S. to see to it that I am there, because essentially somebody will ask me to pass on the military sufficiency of what we are doing, and then I will say I don't really know all that much about it.

Now, actually I am doing everything I can to support these, those charts that you saw NATO put out in October, we supported those charts. That is sensitive, but we supported those.

I have submitted about a dozen papers to the working groups that are getting ready for the arms control negotiations telling them different things. For example, if you make a rule about equipment that will be in units, you can affect modernization ten years from now. If you make a rule about what the levels of exercises will be, you can affect readiness in ways you might not notice unless you have somebody that is actually working in that field who shows you those effects. So I do a lot of that right now.

This is what I was talking about, these tables that were made up on the conventional forces in Europe—the facts. Those tables came out of my shop.

Mr. **Dicks**. Thank you very much.

Mr. **Murtha**. Mr. Young?

SEALIFT POLICY

Mr. **Young**. Thank you, Mr. Chairman.

General, when Mr. Dicks was asking you about the policy of lift and asked about why we are focusing so much on ——— of the problem and ignoring the ——— you said it is not a good policy.

It seems to me that if you are of the opinion it is not a good policy, maybe whoever is setting that policy should be made aware of that.

Have you made someone aware of that at the policy level?

General **Galvin**. Yes, I have very strongly made the Department of Defense aware of that a year ago, a year and a half ago, and the result was that a general officer, flag officer steering group was created to decide what to do about it.

What they decided to do was to ask—one of the things they decided to do was to ask Duane Cassidy to make an overall study of what we should do to get the strategic lift. He is somewhere along on that study and actually, like all other studies, it is already affecting change before it is even finished and comes to its conclusions, and then there is the second study. But it is a big, big problem that has been around for a long time and maybe—I am having trouble getting momentum going here for the solution of the problem.

It is a problem that is so—if I could just go on about this and try to explain it to you—it is so intertwined with all other problems. If I say I need ships to get forces across, someone can answer, "Well, you don't already have all your ammunition across and so we are spending the money to buy some of the ammunition, or I don't think you need the ships until you figure out how to get the National Guard training levels or readiness levels up to where it can be moved across anyway," and so forth. So a lot of other factors come into those.

Sometimes those factors get cranked in by people who don't want to take a look at the shipping problem, but we would need a thousand shippings in the early days of the war in order to get across the kind of force with the kind of supplies it needs to fight the war. We are not ready by any means to get that thousand shipping over there.

Mr. DICKS. A thousand ships?

General GALVIN. A thousand shiploads; that is correct.

Mr. YOUNG. It is very new, of course, in the new Administration and in the new Department of Defense, but have you had any signs at all they might have more of a concern about this problem than their predecessors?

General GALVIN. It is probably too early to say. I think over the last couple of years the creation of TRANSCOM, that work on these studies, the steering group, those have moved in the right direction. But I would have to say though that when you get down to it, how much more shipping are we buying this year than we bought last year or the year before or ten years ago? The answer is not much.

SOVIET INITIATIVES

Mr. YOUNG. I was aware of the initiatives by Mr. Gorbachev and some of the Warsaw Pact countries insofar as reduction of Air Forces and you spoke to that at great length in your opening statement.

How much do you know about these initiatives? Do you think they are sincere about their proposals? Do you think they really want to see a lessening of tensions and honest reduction in forces?

General GALVIN. I think that the Soviet Union has recognized and its present leadership has recognized they have problems. I think the speech of the 7th of December was the most extraordinary speech I have ever heard in my life, to see Gorbachev get up there and say the ideology Lenin brought in in the early part of this century was not useable as a guide for the future was astounding. And to have him to be able to say that and go home and keep on being President and General Secretary is pretty good. So I think there is no doubt about it that it is going to change.

What that desire will bring and how they will go about it and whether or not it is reversible or could be reversed or whether Gorbachev will be there—you saw that thing the other day a bet was laid on, ten rubles for Gorbachev's future.

I think there is a great consensus within the Soviet Union that a big change is necessary, but I think that any big change like that brings dangers of instability.

At the same time, I think he has brought the military under control more than he did before.

Those moves have been very interesting.

First, there was—his first move was to start to get rid of the older marshals, the veterans of World War II, recognizing on the Politburo of today there is not a single veteran of World War II. The last one left last September.

The marshals have been able to adopt a partnalistic attitude towards the rest of the Politburo. As we know, most of them are gone. Akhromeyev is gone. Very few are left. I don't think they are going to be around much longer.

The next thing he did was to reassert the Communist Party would control the military, which at first I thought was going to give them a lot of trouble. I notice the military said yes, you are in control. You tell us to defend the country, we will take it from there, but he did move in with control.

The next thing he did is he established the freedom of the intellectectuals, to talk about military matters which they had never done before; think-tanks talking about military things in the Soviet Union, absolutely unheard of.

Yet, he has in the short period of time accomplished that, but the biggest thing still is there and that is that the Soviet marshals have a constituency, they are not like us. We don't have any constituency in the United States, but they do, through the enormous propaganda efforts and training and building and molding that has gone on about the Great Patriotic War, the ceremonies all the time because of the fact that everybody has to go into the military service and so forth.

There is a general feeling of the man in the street that only a Soviet marshal really can talk about defense of the country and military matters and things like that. That is going to be the toughest one for Gorbachev to break.

All the other ones he has already done, and this one here, the constituency would be, it looks like he is doing that, too.

I think it is very possible they can start down that trail. The question is it is a very rocky trail, and I think we have got to be pretty careful, and the way we can help the best in this situation of unpredictability, is to remain stable and predictable as possible ourselves and not to get into a big euphoria, and also start to make changes.

I think we really have to watch out that even if the Soviet Union comes to be a great democracy in this world, it will still be one of our great competitors, and we will still have a rough time with them. So I think we really have to be careful how we take all this.

ARMS CONTROL

Mr. YOUNG. How do you see them reacting to your position that we would want to achieve a position of parity?

Do you think they are willing to make those kinds of reductions?

General **Galvin**. I think that they would say to us, we will not make that kind of reduction until you reduce—see, the whole thing is now keyed on the question of are we going to talk about Atlantic to the Urals or a global question. I think they will say, "We are willing to make reductions in those tanks, but we are not going to do that kind of thing unless you reduce," ———. They will say, "We will reduce the tanks if you take out this."

First of all, on the ground forces, no doubt about it, they are bigger, and they admitted a list of seven or eight of the major things in which they are bigger. ———.

Thirteen German U-boats sank over 300 merchant ships in the first three months of 1942. They never had more than 13 out there. The Soviets can put 13 killer submarines out there any time they want. We don't want to try to get into big convoys like we did in 1942. ———.

So we will have a tough time with the Navy part of it. They will be wanting Navy reductions in order for them to make Army reductions; that is my guess.

NATO RESPONSE TO SOVIET INITIATIVES

Mr. **Young**. One more question, and your responses are extremely interesting, and I think helpful to all of us.

What is the real effect that these Soviet initiatives are having on the people that you work with in Europe, your NATO allies and your counterparts, military and civilian, what kind of reaction are they really having?

General **Galvin**. I divide it into two things, logical and psychological. The logical side of it is the Soviets are beginning to look like they are going to change, but they haven't changed yet.

The psychological side is I have been under the pressure of these guys for all of my life, and now they are saying they have changed, so I believe they have already changed. I think the Soviets have gone home. Gorbachev has taken out 500,000 troops and they are gone. There is a wishful thinking that is enormous going on and a euphoria about all that. There is also a personification of the Soviet Union in Gorbachev who is a nice guy. He has a lovely wife, and how could an outfit run by a guy like that ever be harmful to us?

This is going on very much and it is seen in the question of, "Well, he has made those concessions and we have to make concessions ourselves." The thing we say has been a threat to us is Soviet armor, so he is taking out ten percent of the Soviet armor.

The thing he says is a threat to him is nuclear weapons in Europe. We have taken out 2,400 weapons, and I have come up with another approved study. It will take out weapons, another big concession. So we have made a ——— concession unilaterally on the nuclear side, and he has made a ten percent concession, but the Europeans and the United States are saying, "When are we going to do something?" We have a way of forgetting what we do and emphasizing what they do. That is the hostage mentality. You get taken by a terrorist and he keeps telling you he is going to kill you, but in the end, he doesn't kill you. He lets you go, so you tell everybody he is a great guy and has a point he is trying to make.

The feeling in Europe is a sense of release from being a hostage. That is the collective psychology.

REDUCTION OF NUCLEAR WEAPONS

Mr. **Murtha**. What is the —— nuclear weapons we reduced?

General **Galvin**. We had —— nuclear weapons in Europe. In the past ten years, we have reduced 2,400 of those.

Mr. **Murtha**. Are you talking GLCMs and the Pershing?

General **Galvin**. In 1983, when we brought in the Pershings, we reduced 1,400 right then, but we had reduced 1,000 in 1980. We have made these unilateral reductions.

Mr. **Murtha**. These are already made?

General **Galvin**. Yes.

Mr. **Murtha**. So we have reduced ours —— and they are talking about reducing ten percent.

General **Galvin**. Twenty-four hundred on——

Mr. **Murtha**. Give us that for the record; a breakdown.

[Clerk's note.—Classified insert removed.]

Mr. **Young**. General, does this feeling of euphoria or the released hostage syndrome you mentioned, does that threaten the stability and the predictability that you say we have to maintain?

General **Galvin**. Yes.

We need a pretty strong statement from the current Administration, when it gets going here, that one of the first things that ought to happen is a summit in Europe for NATO.

We ought to say that we do find the main alliance for us and the number one security collective is NATO, and we ought to say to the rest of NATO the danger is still out there, we have some unpredictable years to go through here, let's stick together. We ought to emphasize that NATO isn't just a defensive alliance, all the things we stand for are part of NATO.

Mr. **Young**. Are you making the new Administration aware of your thoughts on this?

General **Galvin**. Yes.

Next year is NATO's 40th anniversary; I think it is April. We ought to have a big blast for the 40th anniversary, and we ought to get together and reaffirm our principles, and it should be the biggest birthday party in a while. We need right now to put some attention on this because we are the leaders.

If we don't really show a lot of concern about where is everything going, people in Europe will say, "You know the U.S. has terrific intelligence, and they are not worried at all, so why should we be worried?

I hear that a lot. So I think we need to tell them we are worried about this. We don't see much of a decline yet in the Soviet military, and yet we see the Soviets entering into this strange period ahead and we are inextricably involved in that, too. We need that message.

Mr. **Young**. Thank you.

Thank you, Mr. Chairman.

Mr. **Murtha**. Let me go back so we understand these figures. They have not reduced their conventional strength at all; is that right?

General **Galvin**. They are promising to reduce what amounts to ten percent of the deployed strength.

Mr. **Murtha**. Go over that ——— again, the number of nuclear warheads we have in Europe.

General **Galvin**. In the last ten years, we reduced it from ——— which is a reduction of———

Mr. **Murtha**. Is that classified?

General **Galvin**. ———.

I hear it said all the time in Europe. I would say that it is worth much more to say that than to keep it classified.

Mr. **Murtha**. So we have ——— warheads in all of NATO?

General **Galvin**. That is correct.

Mr. **Dicks**. Short-range?

General **Galvin**. That is the theater-based warheads based in continental Europe ——— warheads based in continental Europe.

Mr. **Dicks**. Where are we on the modernization effort?

General **Galvin**. Back to that range again; that is SNF, which really means short-range nuclear forces.

There has been all kinds of jargon about this. You can call it the theater-based force or the continental-based force ———.

Mr. **Dicks**. What is the range?

General **Galvin**. Zero to 500 kilometers. The status of the negotiations is this—we had in Europe warheads with ranges up to 5,500 kilometers. That included the Pershing II and the ground-launched cruise missile.

With the INF Treaty, the treaty said we will not keep anything ground launched that can go beyond 500 kilometers, so eveything—we cut out everything from 500 to 5,500 kilometers, that was on our side, the Pershing II and the ground-launched cruise missile.

On their side, the SS–20, SS–12, SS–4, SS–22—that was it. A total on their side of 1,600 missiles and a total on our side of about 644.

Now, those weapons are coming out over a two-year period. They have started out now. As they come out, they are to be destroyed.

We are verifying that they are destroying theirs. We are verifying that in 133 different places in the Soviet Union. They are verifying that with us in 25 places in Europe. These teams are at work right now.

I am supplying as CINCEUR, it is worked by the Department of Defense and the State Department, but I am supplying a lot of people, the Russian speakers. I host the teams coming in, get hotel rooms and transporation and so forth. That is all I am doing.

Two years from now all those weapons will be gone on both sides. That is the INF Treaty.

FOLLOW-ON TO LANCE

Mr. **Dicks**. What about our negotiations with the Germans on the Follow-On To Lance?

General **Gavin**. What was left after the treaty were three things: artillery, which is a range of no more than ——— kilometers and most is about half that range or ——— kilometers. The Lance, which is a range of about ——— kilometers, and then air-delivered bombs, nuclear bombs; we have ——— countries that have the aircraft and are trained to fly on nuclear missions.

We have ——— countries that have the Lance. The problem is if you don't have Lance, the only thing that you can go deep with, that is beyond 30 kilometers, is an aircraft and the aricraft are located on a few bases, so it would be very difficult for those aircraft to get off those bases if the Soviets thought that we were going to turn a conventional war into a nuclear war because there are just too few targets.

They would smother those targets, so we need to have a missile that you can take into the countryside, and nobody knows where it is so you can't target it, and it can do that mission.

You have to stay under 500 kilometers, so we are looking for a Follow-On To Lance. ———.

We had a congressional mandate against building a nuclear version of the Army Tactical Missile System or ATACMS, which is one of the candidates for Lance follow-on. Senator Kennedy was the one that was working that mandate.

He said last year that he allowed us to do some studies to see what it would take to put a nuclear warhead on that missile, and the answer came out it is pretty simple to do.

Now we are trying to get a decision this year to go ahead with Follow-On To Lance, which will have to take into account that mandate about the warhead and, of course, it will have to take into account the money involved in doing that.

So when that comes up, I am sure what will happen will be that you will want to know what do the Europeans think, are they going to accept it, are they going to take the Follow-On To Lance?

That is the key question this year in terms of that aspect of our defense, and the Germans are the ones that will have to answer the question.

If the Germans don't want it, it is going to be pretty hard for me to get it through this Congress, so I am very concerned about that matter.

Mr. MURTHA. Excuse me, General. I just want to say this is Bruce Meredith's last day working for the United States Government. We want to express our appreciation for the outstanding job you have done for this committee. You are one of the most able staffers we have had and we appreciate your contribution and we wish you well.

Mr. Miller, do you have any questions?

INTERMEDIATE-RANGE NUCLEAR FORCES (INF) TREATY

Mr. MILLER. Thank you, Mr. Chairman.

General, when we speak of the INF Treaty and the fact that every nuclear weapon with a range below 500 kilometers, as I understand, is still in place, do you feel a great desire to have another treaty that would wipe out those shorter range nuclear weapons also?

General GALVIN. No.

On the contrary, I feel a great desire to keep nuclear weapons stationed in Europe because I think they aid me in the primary mission that I have, which is to deter a war.

Mr. **Miller**. What I am really after is another treaty that, not unilaterally, but mutually would reduce the shorter-range nuclear weapons.

General **Galvin**. After we get the conventional treaty worked out or further down the road, at least, I think we ought to take a look at that and see what we can reduce.

I don't think that we ought to completely do away with nuclear weapons in Europe because I don't think that a strategy of deterrence in defense is credible if you do. We had that before in the early days of NATO when all we had was the strategic weapons in the United States. If you attack our troops, we will unload the strategic weapons. We didn't think it was credible.

Over the years it was pretty much revealed as not credible. It is far more credible to be able to say we have eight other nations that are in this with us that have the nuclear capability because we as the custodians are ready to give it to them and they are ready to use it, and if you attack us, you will get an answer from these eight nations. That is a better deterrent.

I don't say we shouldn't come down in the numbers, but I don't think we ought to get to zero. We have never been able to stop war in Europe with conventional forces alone; never, and now here we have gone 40 years without a war there, and I don't think it is a coincidence. It is the fact that the nuclear weapons are there.

There are two reasons for it. One is that no military man is going to be able to say to his political leadership we ought to go to war because we can gain more than we would lose. As long as those nuclear weapons are around, I can't guarantee you that we would gain more than we would lose if we wanted to attack somebody. So nobody is going to try to do that, no military people with any sanity.

The other thing is, the man in the street can't get "jingoistic" about going to war. It was off to the trenches, because the trenches used to be far away, but they are close to home with nuclear weapons around. So it is ironic, but nuclear weapons do deter a war, and I would like to see them stay in Europe in some numbers—not too many, but some.

COMMUNICATIONS

Mr. **Miller**. You spoke of a communications to some degree, and I am wondering about the communications when we have so many different languages spoken by the different members of NATO. How are we using a common communication network that so many different people speaking different languages would be able to understand what to do at the right time?

General **Galvin**. Well, first, we do have something like that, but the first thing is that everybody is speaking English these days. All over the world now we faced that problem with aircraft and we solved it by saying everybody speak English, because we are too dumb to learn another language. So everybody did.

In Europe for the most part, if you speak English, you can get by, but we have a set-up on radios where you have small phrases and you can change those with a computer from English to any other language and back and forth. That is going to spread around in Europe and will make coordination even easier.

But the way we actually do it now is exchange liaison officers with radios at all levels. So if you are a U.S. brigade commander in combat and you are working alongside the Germans, you have a German sitting with you and he listens to what you are saying, and he is bilingual, and he sends it out. Not the best way to do business, but when you have so many languages within your alliance—by the way, the Soviets have the same problem.

CHEMICAL WEAPONS PRODUCTION IN LIBYA

Mr. **Miller**. You had mentioned also in your statement that under your command there were some 77 nations and part of Africa. Can you give us a little rundown of the chemical plant in Libya and while the NATO forces are looking at this. I bring it up because of the problem we had with Libya before as we attempted to fly from Britain to Libya and we were turned down by many of the countries of Europe from flying over their land. I am not sure what the thinking is now, but somehow there must be an understanding as to whether that is a chemical plant that would build munitions, poisonous gas and the like. Could you give us your thinking on this as to where we stand and what should be done about it?

General **Galvin**. First, to take up the issue of over-flying other people's terrain, there is a feeling even with our allies that if they haven't been into an issue from the beginning, they don't like to be told at the last minute that we are going to over-fly them to go and do something. It is a little easier to deal with them if you say we are beginning to think we might have to do something and here is why, and you go through the logic.

I think this is the reason that the U.S. Government has gone to these other interested European allies and said it looks like there is a chemical plant going in here.

It took us some time to convince some of them that that was true. Now I think they are convinced, especially the Germans are convinced. They are convinced and embarrassed, and they are taking some action. They have had a meeting in the Bundestag. They have changed the German law.

After the war, Germans went very easy on laws in which you could imprison people, punish people, and so forth. They have some very light laws on that based on the response to their earlier background and problems. They are tightening up some of those laws as a direct result of this question of the chemical plant.

You are right that the last time when we had the Libya strike, we came out of England with F-111s as part of that strike and they weren't allowed to cross France. ———.

But we got a successful strike even with that problem, which says a lot for our capabilities, I think.

Mr. **Miller**. The problem doesn't seem to go away. The longer we go, the worse it could get.

Do you feel that eventually either some of the NATO nations or the United States must take action in Libya to destroy that chemical plant?

General GALVIN. ———.

Mr. MILLER. Just one other question, Mr. Chairman, if I may.

Mr. MURTHA. If you would yield, would you say our allies would agree with action if they were consulted? Would they agree if the Libyans were going forward with chemical production?

General GALVIN. My guess is some would agree and some would not, and there would be a gradation depending on how much these countries felt that they could take a global approach and how much they felt they better remain regional. ———.

Mr. MURTHA. They want us to take action in some cases, but they don't want to have anything to do with that action.

General GALVIN. They quietly applaud it, and they prefer to do it that way.

PREPOSITIONING OF WAR RESERVE STOCKS

Mr. MILLER. Elevator talk we call it around here.

I have one more question. You spoke about a thousand shiploads that would be necessary to cross the Atlantic in the first 30 days of a war in Europe. Isn't it possible to preposition some of those materials and stockpile them in Europe? Isn't it possible to get away from the 1,000 ships within 30 days and still stay within our treaties and have the bulk of material so that maybe we would only have to have 600 ships in the first 30 days?

General GALVIN. Yes, it is possible, but you have to buy those items in order to send it over there. We are doing three programs now, the war reserve stocks in which we put over there tanks and other equipment that we think we might need, and repair parts and so forth, and ammunition.

There is another one: the prepositioning, which is where we locate kits. ———. Then you have POMCUS, which means prepositioned stock in unit sets. That is the whole division's equipment in one place in warehouses. All of that is going on. It is costly and therefore it is moving slowly.

Mr. MILLER. Thank you, General.

Mr. MURTHA. Mr. Livingston.

INTERMEDIATE RANGE NUCLEAR FORCES (INF) TREATY

Mr. LIVINGSTON. Thank you, Mr. Chairman.

General, the INF Treaty was passed, of course, and that cut out the intermediate-range nuclear weapons. Is that destabilizing?

General GALVIN. I don't think so. I think that the other side also lost; they lost more than we did. It is difficult to assume greater risk, and it is certainly difficult to lose the capability for something like the ground-launched cruise missile or the Pershing II, because those were the best weapons we had, very accurate, absolute penetrators. So it was difficult to lose those.

But at the same time, if we are going to try to get deterrence in Western Europe at the lowest level of confrontation and the lowest level of armament, which I support, we have to take some steps and some military risk.

I looked very hard at that risk when I first got there, because that was the time they came up with the request by NATO that President Reagan take that step. I went around to all of my subordinate commanders and talked to them about it, told them to level with me and asked if they felt they could still do the mission, and they said they could, plus they were impressed by what the other side lost on this.

Mr. **Livingston.** ———?

General **Galvin.** ———.

STRATEGIC DEFENSE INITIATIVE (SDI)

Mr. **Livingston.** How does SDI fit into the equation? Does it assist you or does it present a threat to you and bearing in mind that the Russians have their version as well?

General **Galvin.** It assists me. I do rely on it even though I am a forward-located commander. When I put on my other hat as SACEUR, I do rely on the capabilities of the United States to support me with its strategic weapons. I can't do that if somebody strikes those weapons, so this protects my own support.

So I am 100 percent for SDI.

CHEMICAL WEAPONS

Mr. **Livingston.** Getting back to chemical weapons, could you describe for us briefly how you perceive the Soviet threat in chemical weapons and tie that in—you mentioned in answer to Mr. Miller's questions, the possibility of striking the Libyans. How do you feel about what we should do about Iran and Iraq's capabilities for chemical weapons?

General **Galvin.** I think that it was a shame, an international shame, that we did not as a nation, and all the other nations, respond to the use of chemical weapons in Iran and Iraq. We just sort of let it go as business as usual. It shows you how unconcerned we can be not only about those people but our own security. We cannot afford to condone the proliferation of chemical weapons. They are especially dangerous because alcohol is a number-one ingredient of the weapon. They can be made as a cottage industry, and there is practically no way to verify what is going on there although I keep hoping that we will get some kind of scientific breakthrough and figure out how we can do this. Until we do, we have to have some kind of retaliatory capability because the only defense is to say if you use them against me, I will use them on you.

Mr. **Livingston.** With Libya weren't we whistling in the wind when Iran and Iraq possessed those weapons as well?

General **Galvin.** We had reasons with Libya. We had a nation which had displayed a lot of aggression against us in a terrorist sense and had promised to do more, and therefore I would call that in the military a spoiling attack. It was necessary for us to preempt, if not their whole capability, at least psychologically preempt them from what they were thinking of doing.

Mr. **Livingston.** That still may be.

General **Galvin.** ———.

Mr. **Livingston.** How about the Soviet Union's capability and the Warsaw Pact; how great a threat does that pose to you in your job?

General **Galvin**. It poses a great threat, and I would like to see us be able to come to a conclusion with the Soviet Union about this. ———.

Mr. **Livingston**. Chemical weaponry is not a defensive weapon, is it?

General **Galvin**. No, it is only an offensive weapon. The only defense is a passive defense, a gas mask, et cetera. ———.

PROTECTION AGAINST CHEMICAL WEAPONS

Mr. **Livingston**. Are we and our NATO allies able to effectively protect against that threat?

General **Galvin**. My answer would be at best we have a marginal protection against that threat. Most of our vehicles do not have over-pressure capability in them. Our chemical suits, that is antichemical, what we call mop gear suits, are marginal in their protection and cut our capabilities down sometimes to 50 percent of what they are normally. In terms of what the Soviets have, especially, for example, in their ability to do chemical decontamination, we do not match them, don't even come close to them in the number of units they have that provide for that sort of passive defense.

Mr. **Livingston**. What would be your recommendation for Congress to do to counterbalance the threat that the Soviets and Warsaw Pact poses in this area?

General **Galvin**. First I think that over all we ought to keep up this effort to get rid of chemical weapons because in the long run it is really difficult to protect against them and still have some kind of defense.

Then I think we have to keep up our own program of production of chemical weapons until we can get some kind of agreement, and I think especially in artillery-delivered and bomb-delivered weapons. And I think we have to work a better priority for the passive defense against chemical weapons.

Mr. **Livingston**. Will the NATO nations allow deployment of chemical weapons into their borders?

General **Galvin**. ———.

Mr. **Livingston**. That is very dangerous. As a person whose son is going through his first day in the United States Army today, I want to tell you I am concerned about it.

General **Galvin**. Maybe we better call him and see how he's doing.

Mr. **Livingston**. He has been there three hours.

General **Galvin**. He just got his hair cut.

Mr. **Livingston**. Thank you.

Mr. **Murtha**. General Galvin, thank you very much for coming before the committee. We wish you well, and appreciate you coming in for us.

General **Galvin**. Thank you, Mr. Chairman.

Mr. **Murtha**. We have some questions for the record from Mr. Dicks and Mr. AuCoin. The committee is adjourned until Wednesday at 10:00 a.m.

[**Clerk's note**.—Questions submitted by Mr. Dicks and the answers thereto follow:]

SOVIET REDUCTIONS IN CONVENTIONAL FORCES

Question. General Secretary Gorbachev's recent announcement on unilateral Soviet reductions in conventional forces has produced considerable reaction on both sides of the Atlantic. It is difficult to label reductions of 500,000 men, including 50,000 stationed in Eastern Europe, the "disbanding" of six tank divisions in Eastern Europe, producing a reduction in 5,000 Soviet tanks in those countries, and 10,000 tanks overall, along with 8,500 artillery systems and 800 combat aircraft as trivial.

At the same time, these reductions are promises not realities, and you correctly point out that they do not eliminate the conventional balance in Europe. I would like to discuss with you what significance you see in these reductions, what we should look for to determine whether they are a reflection of a real shift to "reasonable sufficiency," and how we should proceed in the conventional arms reduction negotiations in light of them.

Overall, what is your assessment of the military implications of these announced changes?

Answer. The military implications of these announcements are more significant in the effect they are having on public perceptions in the West and thus in the willingness of publics to continue to bear the burdens of defense than in the actual short term balance of capabilities. I have to look at capabilities and not intentions. My greatest concern is a cascading fall of support for NATO programs out of proportion to the change in the real situation. Despite these announcements, force modernization continues throughout the forward area and in strategic forces. (For example, fourth generation fighter aircraft continue to be deployed, SS-25's are being put into SS-20 bases, and military production continues at 1986 rates). In fact, the Soviets could emerge from a period of civil and military perestroika with a smaller, more modern and more flexible force than they have today. This could result even if Soviet military production of tanks, artillery, and airplanes are reduced by 50% because they have been producing 3.5 tanks, 5.8 artillery pieces, and 2 fighter airplanes for every one we have produced on the western side during the last decade. What the Soviet military are realizing is that quality may be much more important than quantity in the next century. They could use a period of relaxed tensions to slow our modernization and to allow them to invest in a high technology industrial base. I know that in an era of pending high technology advances across the spectrum of military capabilities, the Soviet General Staff could easily accept parity in numbers if they could maintain an advantage in fielded technology. If they can slow our rate of modernization by appearing to be less threatening, they need to spend less themselves to stay ahead.

Question. A lot will of course depend on how they are implemented, what will you be looking for in terms of which tanks, both type and location are reduced, what signs will provide the best verification of such changes? What about the other systems mentioned by Gorbachev?

Answer. If Gorbachev really intends to demonstrate his sincerity to reduce the threat of alliance conflict in Europe through force reductions, we would want to see substantial reductions and disbandment of front line Soviet divisions and their associated combat and combat support units in Eastern Europe and the Western part of the Soviet Union.

In the absence of any detected force withdrawal preparations, we are forced to study the Soviet announcements. According to our analysis of the Gorbachev initiative, only the less modern T-64s in the Groups of Soviet Forces in Germany and Hungary and T-72s in Czechoslovakia would be subject to removal, and not the newer more capable T-80s.

Verifying the withdrawal of any weapons system will be at best difficult. Our national technical means should be capable of tracking the proposed withdrawals. In 1979/1980 the Soviets under the rubric of reducing tensions, announced they had withdrawn the 6th Guards Tank Division from the Soviet Groups of Forces Germany, but in fact had only redesignated the unit.

In addition to tanks, Gorbachev indicated that artillery, some aircraft, as well as certain "offensively" oriented independent units would be withdrawn. Specifically mentioned units included assault landing (air assault), engineer and chemical units. The most commonly referred to level of independent unit to be withdrawn was the battalion. In a parallel announcement by Shevardnaze in mid January, the Soviets announced that organic divisional tactical nuclear systems would also be withdrawn.

Question. Will changes in the way forces are deployed and exercised provide us with evidence on whether and how these reductions have been carried out?

Answer. In the short term, little information about reductions can be gleaned from current Soviet deployments and/or exercises. However, we may be able to learn more about Gorbachev's "defensive doctrine" and "reasonable sufficiency." In the long term, once force reductions have been implemented we should be able to track units exercising and determine who they are and how they are equipped.

Question. Can the Helsinki notification structure help in this regard?

Answer. Yes. The "Helsinki process" provides, through its several distinct conferences, provisions addressing the security aspects of the East-West relationship. The provisions of the Stockholm Document itself provide insight on the military activities of the Warsaw Pact, and this insight provides greater understanding and reduces the possibility of misinterpreting events. However, the generalities of the Stockholm Document limit its direct application to a demanding conventional arms control compliance monitoring program. Although helpful, a separate notification structure will be required to meet the demands of a conventional arms control agreement.

Question. You are quoted in a recent Los Angeles Times article that banning large formations of armored regiments near the border which could be marshalled for surprise attacks and moving ammunition supplies away from the front are two steps that could show a reduction in the ability of the Warsaw Pact to execute a surprise attack. Could you provide some greater detail on what we should be seeking in these areas?

Answer. All Soviet regiments deployed to the forward area (East Germany, Poland and Czechoslovakia) are maintained ——— and are either armored or mechanized formations capable of being at the inner German border within a relatively short period of time.

A majority of these units are garrisoned in East Germany in close proximity to the border. Their presence ——— pose the most immediate threat to NATO.

The reduction in the number of tank heavy formations and fuel and ammunition depots would greatly reduce the ability of Pact forces to conduct and sustain surprise attacks across the border. These are the types of assurances we seek.

Question. At a meeting last week with NATO parliamentarians there was widespread agreement that it was prudent not to read too much into the Soviet announcements. However, it was also noted that public opinion on both sides of the Atlantic will make that a challenge. What is your assessment of public reaction in Europe to the Gorbachev initiatives (i.e., unilateral announcements of reductions in conventional forces)?

Answer. Gorbachev's announcements have come at a time when the general public in Europe is experiencing a decline in any sense of threat from the East and greater expectations of arms reduction, arms control, and general detente. The majority seems to have applauded the "initiative" and invited the West to "respond." In the past, the need for defense was accepted, linked in most minds with a belief in the threat from the East. Most were prepared to put up with the consequences of defense requirements such as, conscription, maneuver damage, and low flying aircraft. The public now seems to reject the specialist definition of the threat, which looks at capabilities. Instead, they prefer to look at intentions, especially when loudly and widely advertised. They are becoming more active in making their voice heard—not so much in terms of what they want, but in terms of what they do not want: defense spending, weapons modernization and even general military activities and their attendant penalties. All this is taking place in the absence of concrete measures such as formal tabling of negotiating proposals or real troop reductions, to translate intentions into fact.

Question. Since his December speech, Gorbachev has announced cutbacks in defense spending of 14.2% and reductions in production capabilities of 19.5%. You are right to ask "of what?" Should we be able to determine reductions in Soviet tank production, for instance, to see if this is reflected in items of major interest for conventional stability?

Answer. Greater reductions in Soviet military production than those announced will be necessary to maintain a balance of holdings in the area of the Atlantic to the Urals after the CFE agreement on ceilings. Soviet military production rates are much more than 19.5% greater than ours. If we examine only the principal weapons systems we will seek to bring to parity in the CFE talks, we see that the Soviets have out produced the US 3.5:1 in tanks, and nearly 6:1 in artillery over the past decade. Currently the Warsaw Pact produces nearly 3,700 tanks annually compared to NATO's just over 1,000. Even a 50% reduction in Warsaw Pact tank production will allow the Warsaw Pact to equip their residual force after CFE with top quality tanks at a faster rate than NATO. Thus, even a 50% cut in Soviet tank production will mean a steady widening of the quality gap between the average Warsaw Pact and NATO tank when you look from Turkey to Norway.

CONVENTIONAL ARMS CONTROL

Question. Your statement identifies three risks with conventional arms control, that I would like to have you expand upon. What types of reductions would you see as forcing a revision in current NATO strategy? In the context of asymmetrical reductions is a strategy change necessarily bad, or rather something that we have to give careful consideration?

Answer. The second question should be answered first. A strategy change, specifically abandoning the concept of forward defense, could be fatal for NATO unity. We cannot afford to consider even conventional operations in depth on German terrain if deterrence fails. Doing so will give the population of the FRG little incentive to support NATO. We have to be committed to protecting West German homes. We have to take the risk of not being able to follow this strategy very seriously. Unfortunately, forward defense strategy takes more forces than a defense in depth. It has to be keyed as much to the size of the territory to be defended as to the size of the enemy forces. Thus, the size of the reductions we can take are partially determined by the size of the other side and partially by the length of the frontiers. First of all, there needs to be a rough parity of immediately ready forces. This means active duty forward deployed forces. Then there has to be a rough parity of the flow of mobilized reserves and active duty reinforcements of both air and ground units into the combat areas. Finally, there is a minimum number of active duty and fully forward deployed forces below which one cannot go in a forward defense even at parity of forces. This is because the attacker always makes the first move and can use this time advantage to concentrate a superior force at any of a number of points. The forward defense makes rapid counter-concentration difficult. It is not a simple matter to determine what that minimum level of forces is, but I assure you we are studying all aspects of the problem. Our first task is to establish parity of ground forces at some level. NATO has suggested 95% of current levels. I think that is a good place to start. Without parity, we should not consider any reductions of our own.

Question. The second risk you mention is force structure. One concern in this area is that we are currently pretty thin on the Central Front, and that any reduction in units would make it even more difficult to execute forward defense. In light of this, would you think that we should consider reductions that would retain integrity, but make reductions through means such as use of round out brigades for forward deployed divisions?

Answer. The force structure risk is that our NATO publics will want unilateral force cuts which are below that which makes a forward defense strategy viable. We are pretty thin already, as you have correctly noted. It makes a big difference how we take force structure cuts. We need to be able to reinforce the residual force quickly in a crisis and upon reinforcement we must have a well integrated force—one which is capable of a high degree of team work rapidly. We would also be reluctant to remove any of the limited logistics force structure we have in Europe. Thus, a number of considerations will combine to form our recommendations.

Question. The third risk is that of verification. What kinds of steps do you think we should pursue that will at least give us some confidence that the agreements are making a surprise attack less likely, rather than more so?

Answer. While verification experience with the INF and Stockholm Documents is very useful, the scale and nature of the verification tasks faced in CFE will be new. The intrusive on-site procedures exclusively used in INF have limited application for CFE where compliance must be monitored throughout Eastern Europe and the Western USSR rather than at designated locations. "Absolute verification" in CFE would be so expensive in highly skilled manpower, demands on national technical means, and dollars as to be impossible. A compliance monitoring regime which provides warning indications on which governments can act and a high level of confidence that the agreement is not being abrogated is the reasonable alternative. I am confident that the Alliance proposal for CFE will go beyond reductions in three types of systems, which can rapidly return in a crisis, to include "stabilizing measures" which place verifiable constraints on forces, cause the reduction of combat and combat service support structures commensurate with reductions in tanks, artillery, and armored troop carriers, and to establish a system of compliance monitoring and early warning of preparations for war.

Question. For many people, conventional arms control is seen as a major dollar saver. My own experience is that this may occur, but cannot be our driving objective. I would like your reaction to a figure, however, that was made by Leonard Sullivan, a defense department official in the Nixon Administration and currently a director of the Atlantic Council at a meeting of the North Atlantic Assembly on Friday. He stated that NATO could save $1 billion a year for each additional day of warning we had of a Soviet attack. Would you agree with such a figure and what offsetting consideration would there be?

Answer. I am not familiar with the logic and basis for Mr. Sullivan's conclusion but I have heard his claim. The point he is probably trying to make is that if we could gain additional warning of a WP attack we could convert this increased warning time into savings in readiness costs and lower levels of active duty forward deployed forces. He makes a seductive argument in times of tight budgets but I would challenge his conclusion on several grounds.

There is a practical limit to how much of the burden, of being prepared for modern war, reserve formations can bear today, and modern warfare is becoming more complex daily.

Besides a nuclear deterrent comprised of theater and strategic nuclear forces, a stable deterrent system will require parity of immediately ready forward deployed forces adequate to deter the ready forces of the other side. A forward defense strategy places a practical floor on the size of this force. Going below this floor of active forward deployed forces threatens the credibility of the forward defense strategy which in turn would threaten NATO solidarity.

The reduction of US forward deployed forces will only result in full savings if those forces are permanently and completely removed from the force structure and if our commitment to reinforce Europe with 10 divisions in ten days is also substantially reduced. If the commitment stays the same, then the increased cost of stateside stationing and the additional costs incurred for compensating higher levels of prepositioned equipment, airlift and sealift would offset much of the theoretical savings.

FORWARD DEFENSE

Question. General, your statement in discussing forward defense seems to describe the problems you are presented as a military commander by the NATO policy of forward defense. You mention that it does not allow trading space for time, and that does not allow economy of force.

The debate on forward defense has gone on as long as NATO has existed, and will no doubt continue. The conclusion continues to be that political realities do not allow us to sacrifice one ally, the FRG, for the sake of military operational flexibility. Thus I don't want to get into a general debate on forward defense, but to determine if there are steps we can take to make it more effective.

Some have suggested that a credible forward defense requires the redeployment of at least some existing divisions to be in place for a short warning attack. From a strictly military standpoint, is this a desirable step? What factors argue against it?

Answer. From a strictly military standpoint, I would readily accept additional forces on line. However, the political realities of the Alliance, coupled with the worldwide interests of the United States, are two factors that would argue against the fielding of additional forces in NATO in peacetime.

Question. If in fact Soviet force structure changes to reduce the threat of a sudden attack, might the military rationale for forward deployment be reduced?

Answer. The forward deployment aspect of NATO's strategy is driven by the political necessity to defend all Alliance territory against aggression. This means NATO cannot accept the classic military defense that gives up terrain initially in order to gain time. It is also important to keep in mind that the attacker has the initiative and chooses both the time and place for action. A reduced threat of sudden attack does not ameliorate this advantage, and therefore would not in itself reduce the necessity for a forward defense strategy.

Question. Another suggestion is that NATO should take better advantage of West German reserve units to build road-blocks and take other steps to slow or channel the Soviet advance. Is this being looked at?

Answer. ———.

Question. Deployment of anti-tank barriers or mine fields that could be activated upon warning are also suggested as low cost enhancements. What is your thought on these systems?

Answer. ———.

Question. Finally, there is a technological revolution in unmanned systems, both on the ground and airborne, for reconnaissance, target acquisition or limited kill applications. Are you looking into the increased use of this type of system to enhance forward defense?

Answer. Yes, we are, and we hope some of the promising technologies now emerging from the R&D world make it through the acquisition process and onto the battlefield. In all of these areas: reconnaissance, target acquisition and limited kill, we need cost-effective, robust solutions that can be rapidly reprogrammed in response to changes in the threat. Programs such as Tacit Rainbow offer just such an opportunity and we will follow their development closely, as near-term solutions to old problems.

[CLERK'S NOTE.—End of questions submitted by Mr. Dicks. Questions submitted by Mr. AuCoin and the answers thereto follow:]

BATTLE SIMULATION TRAINING COMPLEX NETWORK (SIMNET)

Question. Could we save money by greater use of SIMNET (Battle Simulation Training Computer Network) in place of the large-scale training deployments? If yes, what are your plans to utilize SIMNET more?

Answer. There is no analysis available on the monetary trade off between simulation and classical exercises. SIMNET is a company/team trainer for small units or individuals. It is an interactive maneuver simulation which stresses command and control training, fire distribution, and battle synchronization. Usually, large scale training deployments are set up to train higher levels of command and to deal with much different and larger scale problems. The current fielding plan identifies 118 simulators initially for USAREUR. SIMNET is one element of USAREUR's Battle Simulation Program initiatives which contributes to efficient training methodology, maximum leadership training, and reduces impact on environment in constrained training areas.

[CLERK'S NOTE.—End of questions submitted by Mr. AuCoin. Questions submitted for the record and the answers thereto follow:]

U.S. TROOP REDUCTIONS IN EUROPE

Question. The Intermediate-Range Nuclear Forces Treaty (INF) requires the pull out of the U.S. ground launched cruise missiles and Pershing II ballistic missiles. How many military support and dependent personnel in Europe are associated with these weapon systems?

Answer. According to USAREUR and USAFE, as of 30 September 1988 the following strengths were associated with INF:

Army (PII): 5,840 military, 4,060 dependents.

Air Force (GLCM): 5,725 military, 5,354 dependents.

Total: 11,565 military, 9,414 dependents.

Question. What would be the effect on your mission if the Congress reduced the European troop and personnel strength by the number of military and support people associated with these two weapons systems?

Answer. We are all pursuing security and stability at lower force levels, and I believe that is what we will get in the not too distant future. Let me make two points. Unilateral cuts by the United States at this time would undermine our negotiating position with the Warsaw Pact and would encourage the weaker allies to make cuts of their own, further weakening the NATO position. I believe CFE will bear fruit fairly rapidly if we remain steadfast. We need to create a situation of parity at lower force levels in Europe and I believe we can. As we attain this objective, we should address the U.S. share of NATO reductions. Second, the Schroeder-Ireland bill suggests that we no longer need 25,000 people in Europe because of the INF reductions. When we introduced Pershing II and GLCM's we used approximately 14,000 (not 25,000) manpower slots, slots, that could then not be used to meet important conventional needs. As we phase out GLCM and Pershing II units, we had planned to use those spaces for the conventional force. Looking at capabilities rather than intentions as things now stand, even with cuts Gorbachev has promised, U.S. European Command should not take a 25,000 man cut at this time.

Question. What would be the annual cost savings if these military, support, and dependent personnel were eliminated from Europe and also eliminated from the total force structure?

Answer. USEUCOM does not have the data needed to provide this information.

[CLERK'S NOTE.—The Department was asked to provide a more responsive answer, but has not done so in time to be printed in this hearing volume.]

Question. What are total numbers of U.S. Forces presently stationed in Europe?

Answer. As of 30 September 1988 the following military personnel were permanently assigned in NATO Europe:

Army	217,272
Air Force	89,753
Navy	13,501
Marines	1,236
Total	321,762

Question. How are these total U.S. forces broken down into Army divisions, etc., Air Force and Navy Airwings, Navy battle groups, etc.?

Answer. Army Forces in theater: Chief tactical elements are the V and VII Corps made up of the following units; 1st Armored Division; 3d Armored Division; 1st Infantry Division (FWD); 3d Infantry Division; 8th Infantry Division and the 2d and 11th Armored Cavalry Regiments. One additional tactical unit is directly under USAREUR, the 2d Armored Division (FWD). Other USAREUR Major Commands include the U.S. Army Berlin Brigade; U.S. Army Southern European Task Force; 32d Army Air Defense Command; 21st Support Command; 7th Medical Command; 18th Engineer Brigade; 56th Field Artillery Brigade; 59th Ordnance Brigade; and 4th Transportation Command.

Air Forces in theater: Chief tactical elements are: Third Air Force consisting of: 13 Tactical Fighter Squadrons, 1 Rescue/Recovery Squadron, 1 Aggressor Squadron, 1 Abn Command/Control Squadron, and 1 Tactical Missile Squadron. Sixteenth Air Force consisting of: 3 Tactical Fighter Squadrons, 1 Tactical Missile Squadron. Seventeenth Air Force consisting of: 12 Tactical Fighter Squadrons, 2 Electronic Combat Squadrons, 3 Tactical Missile

Squadrons (Belgium missile Squadron is awaiting final INF Soviet close out inspection), 1 Tactical Reconnaissance Squadron.

Naval forces in theater: Chief tactical elements are: Task Force 60 (carrier striking force) which usually consists of one or two Carrier Battle Groups (CVBG) each normally consisting of the following: 1 Aircraft Carrier, 7 Escort Ships, 3 Aircraft Attack Squadrons, 2 Fighter Squadrons, 1 Early Warning A/C Squadron, 1 Anti-Sub Helicopter Squadron, 1 Air Anti-Sub Squadron and 1 Tactical Electronic Warfare Squadron. Task Force 61 (amphibious ships) normally consisting of 5 Ships. Task Force 62 (USMC landing force) normally a Marine Expeditionary Unit. Task Force 63 (service force) 8 Fleet Support Ships. Task Force 64 (fleet ballistic missile submarine force) as assigned. Task Force 67 (maritime survelliance & reconnaissance force) 1 Patrol Aircraft Squadron, 1 Recon Aircraft Squadron, 1 Tactical Support Squadron. Task Force 69 (attack submarine force) 4–5 Attack Submarines, 1 Tender.

Question. Can your mission be accomplished with the present levels of personnel you now have in Europe?

Answer. Forward deployed, in-place forces are currently one of USEUCOM's greatest assets. The mission of deterrence is presently being conducted with available personnel resources, however, the inability to meet the commitment to provide ten divisions in ten days materially impacts the future deterrent value of U.S. forces and puts at risk the capability to successfully defend.

NATO NATIONS' DEFENSE COMMITMENTS AND THE BURDENSHARING ISSUE

Question. Some of the NATO nations' economies are in better shape than the United States and they keep pressuring us to reduce our budget deficit. Are the NATO nations trying to assume a greater share of the defense burden and don't you feel they are financially able to assume a greater share?

Answer. Conclusions and recommendations from the December 1988 publication of a report by NATO's Defense Planning Committee, "Enhancing Alliance Collective Security: Shared Roles, Risks, and Responsibilities in the Alliance," point to the recognition by the NATO nations, collectively, that they need to bear a larger, fairer share of the defense burden. The political resolve of individual nations in NATO to increase their own defense budgets is a different issue. Again, collectively, NATO nations are in a position to bear a greater financial burden for common defense. While some nations with Less-Developed Defense Industries (LDDI) require aid in our common defense efforts, others are among the wealthiest nations in the world on a per capita basis, and clearly could expand more resources on defense.

Question. Give us your candid opinion of all the NATO nation's commitment to defend Europe.

Answer. I believe the NATO nations have an absolute commitment to defend Europe. With the exception of Canada, the United States, and Iceland, NATO nations are in Europe, and the defense of Europe becomes a struggle for self preservation. A more pointed observation is the current perception of the threat to NATO by its member states. With daily news showing an apparent and highly publicized softening in the long-term hard line from the Soviet Union, it is ever more difficult to enlist public support for increased defense budgets. A major conclusion of the December 1988 NATO report on burdensharing was that ". . . development and maintenance of the necessary public support for defense and security . . ." is a fundamental issue to be addressed by all countries. We, too, must be alert to weakening resolve in our defense policies before the Soviets produce a substantive, measurable change in their defense outlays or force structure.

Question. Which nations are specifically failing to meet their NATO commitments, and what is being done by NATO to force these nations to carry their share of the burden?

Answer. ———. NATO cannot force its sovereign member states to take any action. However, the December 1988 Defense Planning Committee report on burdensharing displayed a strong, even-handed approach to the issue; the NATO ministers are taking positive action to encourage themselves—and each other—to assume a fair share of the burden.

Question. Doesn't the failure of several nations to honor their NATO commitments weaken the ability of NATO to defend Europe?

Answer. Yes, it does, but the Alliance moves to take corrective action. A current example explains this principle: ———. The Federal Republic of Germany and the Netherlands have already entered into discussions at the ministerial level to see what compromise solution can be reached to solve the multilateral air defense problem. The example demonstrates that mechanisms exist within the Alliance to redress inequities; it is a workable, pragmatic system. The recent NATO DPC report is the best indication that our Allies have resolved to act on these burdensharing issues.

IMPORTANCE OF U.S. MILITARY ASSISTANCE

Question. General, we are constantly told by the CINCs the importance of the U.S. Military Assistance and Military Training Programs to foreign nations. Could you tell the Committee how these programs help you accomplish your mission in Europe?

Answer. Our programs play a vital role in helping countries in the southern region of USEUCOM's area of responsibility to strengthen their basic economic structures and to increase their capability to meet coalition defense commitments within the Alliance.

In the current international environment, much of our economic and military assistance effort must be directed toward meeting the challenges to U.S. interests posed by low intensity conflicts. For example, in Chad a comparatively small amount of U.S. aid complemented French assistance in several critical areas to contribute to the defeat of invading Libyan forces.

The Military Assistance Program (MAP) grant funding and the Foreign Military Sales Financing (FMSF) program which includes both financing grants and concessional credits, assist our allies and friends in financing procurement of defense articles and services to help strengthen their self defense capabilities which otherwise would result in diversion of scarce domestic resources from economic development to purchase military equipment and training. Also, the link between grant assistance and base rights agreements must not be overlooked.

The International Military Education and Training (IMET) program provides a valuable channel of communications and influence with foreign military forces. In addition to teaching military skills and U.S. military doctrine, IMET provides significant opportunities for future access to the civilian and military leadership of other countries. Moreover, IMET improves basic technical skills and professional military education which advances the efficiency and professional performance and readiness of the recipient nations armed forces. In Europe this strengthens the Alliance and elsewhere in our AOR it enhances the ability of our friends to deter and defend against aggression and to better deal with low intensity conflicts and to hopefully promote regional stability.

Question. What are the annual costs of these programs for the countries in your area of responsibility?

Answer. USEUCOM is presently responsible for providing theater level management for a security assistance program involving the Foreign Military Sales Financing (FMSF) Program ($2.7 billion but paid by customer nation), the MAP or Military Assistance Program ($105 million), and the International Military Education and Training (IMET) Program ($17.9 million) which encompasses 61 countries in Europe, Africa, and the Near East for an annual total dollar value in excess of $2.8 billion. (Much of this is earmarked, however. This reduces my flexibility.)

Question. Are these assistance programs important to maintaining U.S. base rights in many countries around the world?

Answer. There is a perceived, if not real, link between security assistance and base rights. The security assistance programs in countries on NATO's southern flank have been linked to facilities made available to the U.S. by our allies as reciprocal manifestations of an overall security partnership. In 1988, the major recipients of MAP funds included base rights countries.

Question. What efforts does the Administration undertake to inform the concerned Committees of Congress of the importance of funding these programs and their close relationship to the maintenance of our U.S. defense posture around the world?

Answer. Each year the Administration prepares a Congressional Presentation for Security Assistance Programs (CPD) document which outlines the Security Assistance Budget request for the next fiscal year. This document offers the Administration's rationale and justification for the overall security assistance program and within that program for the particular efforts projected for each country and regional area. Additionally, the CPD reflects rigorous analysis and considered judgments as to foreign policy and security priorities.

POSSIBLE BASE CLOSURES OR CONSOLIDATIONS

Question. General, the Congress received the military base closure report in December recommending the closure of 86 installations and realignments affecting 61 other installations. Have there been any efforts to close, realign, or consolidate any overseas U.S. bases in your area of responsibility?

Answer. In the past five years, USEUCOM has closed 19 installations; 12 more will close by 1993, and 20 more are under consideration for closure. USEUCOM has long recognized and supported the need for continuous evaluation of the necessity, effectiveness, and adequacy of our basing network. Many bases are not optimally situated, since they were constructed before WWII and occupied by U.S. forces after the war. Basing requirements are dynamic. Our force structure has changed as tactics, weapons systems, doctrine and strategy have evolved. As basing requirements have changed, USEUCOM has attempted to realign its basing network through relocation, consolidation, and closure.

A dramatic reduction of U.S. bases in our theater would require either a withdrawal of forces or large scale consolidation. Withdrawal is not possible without increased risk, and consolidation presents complex challenges in this theater. These challenges include the following:

(1) Vulnerability to Soviet chemical, biological, and nuclear attack dictates some degree of dispersion of forces.

(2) European bases are much more densely developed than their CONUS counterparts, with virtually no room for additional facilities within existing boundaries. As an example, V Corps (U.S.) has three times the number of people on one-third the real estate of III Corps (U.S.) at Fort Hood, Texas. Another example, all real estate occupied by USAFE forces in Europe would fit inside Kirtland AFB, N.M.

(3) The potential to expand current bases to achieve economies of scale is extremely limited. Political sensitivities, high cost/nonavailability of land, growing ecological concern, and adjacent commercial developments are factors which make it almost impossible to acquire additional real estate. Even when real estate is available and approval from a host nation is received, front-end costs are substantial and potentially limiting.

Question. Are there any studies in process looking into this situation?

Answer. USEUCOM subordinate commands have ongoing programs to evaluate existing facilities and installations, to include closures and consolidations. USAREUR, with 848 of the 1035 USEUCOM installations, has a formal Base Viability Assessment Program. USNAVEUR, with only 14 installations in theater, has a less formal but equally active aproach to base evaluation with their Mediterranean Realignment Coordination Plan (MEDRECOP). USAFE annually reviews its basing requirements in order to provide input to the NATO Defense Planning Questionnaire (DPQ). As part of the DPQ input, USAFE updates beddown requirements and identifies installations no longer required to support execution of U.S. and NATO plans.

In addition to the ongoing programs described above, we will respond to force structure changes brought about by the INF Treaty by closing some bases.

While our ongoing programs have been effective, a more comprehensive evaluation of the European basing network is possible, and we are moving in that direction. Data on units, missions, functions, and facilities will be gathered into a single data base. Evaluation of that data could identify consolidation opportunities.

The effort to develop such a data base will be significant, with no certainty of a pay-back in terms of base closures. As I stated in previous response, consolidation presents complex challenges in the European theater. Peacetime efficiencies must always be balanced against wartime needs for dispersion of forces and sufficient facilities to support reception and onward movement of reinforcements. Bases are densely developed, with virtually no room for additional facilities within existing boundaries. Acquisition of additional land is almost impossible. Current overcrowded conditions make it likely that, rather than closing facilities vacated as a result of consolidation, they would be backfilled by other units needing space.

In the past five years USEUCOM has closed 19 installations; 12 more will close by 1993, and 20 more are under consideration for closure.

Question. If there are unnecessary bases in the United States that can be closed, there must be some in various locations overseas. In recent history, has there been an effort to close or realign overseas U.S. bases?

Answer. USEUCOM has made progress in its attempt to align the basing network with peacetime and wartime missions. For example, over the last ten years a USAREUR goal has been to move combat battalions closer to initial General Defense Plan (GDP) positions. Significant improvements have been made to both the deterrent value of forward-deployed forces and the executability of plans for reinforcing these forces in crisis or war.

Subordinate command evaluation programs described in my previous response illustrate our recent efforts to achieve closures and realignments. The USAREUR Base Viability Assessment Program has resulted in closure of 19 installations in the past five years; 12 additional will close by 1993 and 20 more are under consideration for closure. The USNAVEUR MEDRECOP could result in relocation and consolidation of some functions in the Mediterranean. As a result of its annual DPQ review, USAFE is currently studying six installations for closure.

U.S. MILITARY CONSTRUCTION IN EUROPE

Question. How much is budgeted in fiscal years 1990 and 1991 for military construction in Europe from all DOD sources?

Answer. USEUCOM's budget request for fiscal years 1990 and 1991 for military construction in Europe amounts to $1.13 billion and $1.16 billion respectively. These amounts support all military construction requirements including housing and medical construction as well as the U.S. contribution to NATO which comprises about one-half of our budget request.

Question. How much of this construction is associated with warfighting capabilities and how much is for morale, recreation and welfare?

Answer. This is a somewhat difficult question to answer. All military construction (MILCON) projects in our budget requests are associated to one degree or another with our warfighting capabilities. They have undergone a series of reviews throughout the echelons of my command. They have been identified as essential projects needed to support key programs which provide the greatest benefit to the European theater in terms of readiness and warfighting capability. These key programs have been evaluated and integrated into a priority list that permits concurrent progress in attaining the needed combat capability which these programs will provide upon completion.

Certainly some of the projects provide morale, welfare and recreation (MWR) facilities, as defined in DOD directives, but that is not to say they do not contribute to the warfighting capability of our troops. In our FY 90 and 91 budget requests, these projects amount to $22 million and $29 million respectively. Although they are a small portion of our request, the benefits they provide are worth those amounts many times over.

Question. What type of morale, recreation, and welfare facilities are planned for construction in fiscal years 1990 and 1991 in Europe?

Answer. We have a variety of morale, recreation, and welfare facilities planned for 1990 and 1991. We need to expand some of our physical fitness centers as well as build a new facility at one location. We wish to see a similar expansion program for some of our chapels to include construction of child development centers within a couple of them. Other requested projects will provide libraries, youth centers, and community support facilities.

Although these projects comprise only a small percentage of our budget request, they are extremely important to our troops and their families. Not only do they enhance the physical and spiritual well-being of our personnel, in the case of fitness centers and chapels, but they also support the well-being of their family members in theater who lend so much to the morale of our military personnel.

Question. What would be the effect on your ability to perform your mission if the construction for facilities associated with other than warfighting capabilities was delayed or terminated?

Answer. Sir, I can answer that in a single word, devastating. The European theater saw the effects of such action during the 1983–85 time period. The results were not good. Such budget cuts adversely affected numerous programs. We had to reduce family welfare, and recreation facilities. In many instances, we had to close facilities, reduce staffing, and increase recreation center rates by 25%. As I have said earlier, MWR is important to our troops and their families, and does contribute to our warfighting capability. Morale, welfare, and recreation facility construction has been identified by my component commanders as supporting our warfighting capability and, to that end, have been included in the European theater's integrated priority list of required construction for 1990/91. It must be remembered that although the systems and supplies are necessary ingredients to the readiness and sustainability picture, the key ingredient is the individual Americans who have volunteered to serve our Nation. We must afford them the satisfaction of knowing their country and its civilian leadership truly cares about them.

INSPECTOR GENERAL'S REPORT OF UNIFIED AND SPECIFIED COMMANDS

Question. A report entitled "Review of Unified and Specified Command Headquarters" prepared by the Department of Defense recommended the reduction of 7,309 military and civilian personnel in all these commands because of overlapping responsibilities, duplication of functions and excess layering of organization echelons. Of this total, 1,320 personnel reductions were recommended for the U.S. European Command and NATO. Have any of these 1,320 reductions been made in USEUCOM or NATO?

Answer. USEUCOM's apportionment of the SECDEF cut has been identified by HQ USEUCOM and its Component Commands. The apportionments have been forwarded to the Joint Chiefs of Staff and Service Component headquarters for approval.

Question. Do you feel that findings/recommendations of the report were valid and reductions not affect mission?

Answer. I do not concur, in general, with the DOD IG recommendations regarding USEUCOM. The composite of the DOD IG recommendations, if implemented, would place successful planning and operations in the theater at risk. A reduction in USAREUR's BASOPS (Supply, food services, military and civilian personnel, finance, and MWR activities) would adversely affect the quality of life for our military personnel and their families.

DUPLICATION OF NATO WEAPONS' SYSTEM

Question. General, every nation wants to produce its own weapons for the obvious reasons. What effort is NATO making to reduce the duplication of weapons systems and trying to field a standardized force?

Answer. The nations of NATO are addressing the issue of duplication of weapons in several ways. First, there are jointly funded NATO programs such as the NATO Hawk Production and Logistics Agency, the NATO Airborne Early Warning and Control System, and the NATO Maintenance and Supply Agency that provides common logistics support for weapons such as the Patriot air defense missile. Second, there are a number of cooperative research and development projects involving one or more of our allies that receive Congressional funding under the Nunn Amendment. These projects include such varied weapons as the NATO Frigate, the NATO Anti-air Warfare System, the Advanced Sea Mine, 155mm Precision-guided Munition, and Enhanced Fighter maneuverability. Finally, NATO has a system of standard agreements to ensure that different weapons are interoperable, i.e, that vehicles and aircraft can use the same fuel, weapons fire the ammunition, and radios can communicate with one another.

Question. How many different battle tanks and fighter aircraft are in existence in the NATO inventory today?

Answer. NATO forces currently employ six types of modern main battle tanks and nine types of modern fighter aircraft.

Question. Is there any solution for this problem?

Answer. Given the economic reality of national armaments industries, legitimate differences of professional opinion about the relative merits of competing weapons systems, and varying needs that exist in NATO nations' armed forces, some degree of duplication of weapons systems is inevitable. The answer lies in reducing the duplication as much as possible and ensuring that the systems that do exist are interoperable.

RAMSTEIN AIR CRASH/NATO AIRCRAFT LOSSES

Question. On August 28, 1988, three performing Italian aircraft collided during an air show at Ramstein Air Base in West Germany, killing 3 pilots, 67 spectators, and injuring over 520.

In 1988, the U.S. lost a total of 40 aircraft, while the other NATO countries lost 60 aircraft (Jane's Defense Weekly 12/10/88). This is a loss of 100 NATO fighters in 12 months.

What have been the major U.S. flying accidents during the past year?

Answer. The major U.S. flying accidents occurring within USEUCOM Area of Responsibility (AOR) during 1988 which resulted in media coverage and contributed to public concern about military flying are listed below:

31 March 1988: A U.S. Air Force Europe (USAFE) F-16 crashed into the village of Forst, Federal Republic of Germany (FRG) killing the pilot and one civilian.

29 June 1988: Two F-16s collided with the loss of both aircraft and one pilot. No civilian casualities occurred. An additional F-16 crashed the same day in a separate incident with no injury to the pilot.

5 December 1988: A USAFE F-16 crashed in Spain killing the commander of the 16th Air Force, Maj. Gen. Harpe.

8 December 1988: A USAFE A-10 crashed into the village of Remsheid, FRG killing the pilot and 5 civilians.

Question. Did these accidents occur during low-altitude flights?

Answer. Only one U.S. aircraft accident occurred during low level training flights. The F-16 which crashed into Forst, FRG on 31 March 1988 was engaged in low level training. The A-10 involved in the crash in Remsheid was enroute to a low level training area but was not actually flying low level at the time of the crash.

Question. What has been the reaction of the NATO allies, especially the West German government?

Answer. The NATO allies are all concerned with the safe and realistic training of combat ready pilots. The West German government, however, has come under the most pressure to reduce the amount of low level flying. Other NATO allies (except Canada and Turkey) have indicated they are reluctant to accept additional low level flying sorties. The West German government has requested all allied air forces flying over the FRG to cooperate in studying ways to reduce the impact of low-level flying on its population.

Question. What are your plans for future low-altitude flights and air shows?

Answer. HQ, USEUCOM has formed a study group to investigate possible ways to minimize the impact of low level flight training in Germany. Proposed solutions include: exporting some training to other areas, reviewing procedures to possibly redistribute low level flying in the FRG, decreasing the duration of sortie time at low altitude, and encouraging a national review by the FRG of their low level system. It appears the number of low level sorties now conducted represents the absolute minimum required. In regard to air shows, we are currently consulting with the Germans, but there will be no air shows like the Ramstein Flugtag in the FRG this year. We are continuing to study possibilities for open houses, static displays, and aircraft demonstrations.

Question. How will this affect your ability to train pilots in Germany? Is there another way these pilots could train (e.g. simulators, dedicated training areas)?

Answer. If FRG officials dictate a significant reduction in low level flying training over Germany, alternate locations for conducting low level training will be required. HQ, USEUCOM is currently investigating possible alternative locations. Simulators are not capable of providing a realistic substitute for low level flying operations. Regardless of the outcome, U.S. forces must retain the ability to conduct a certain amount of low level flight operations—the minimum amount for adequate readiness—over German soil in support of the NATO alliance.

BUDGET REDUCTIONS AND READINESS

Question. The Chairman of the House Armed Services Committee, Les Aspin, when asked recently about making reductions to the Defense Department budget, indicated that, "Cutting readiness may be the smartest thing to do."

Mr. Aspin indicated that readiness-related items could be reduced if there is an agreement that long-term national security needs are greater than the short-term needs. This would allow funding for procurement and research projects as an investment in long-term security needs.

What is your reaction to this approach?

Answer. First I need to emphasize there is not agreement on whether the long-term national security needs are greater than the short-term. Second, I would favor a reduction in force structure rather than reducing the readiness or substainability of those forces. We cannot afford to once again return to the hollow forces structure of the 1970s.

Question. What long-term national security needs should we ensure get funded in FY 1990?

Answer. The President's budget provides a balanced approach to the requirements of the CINCs and Services. Of particular importance to USEUCOM, are Post-INF modernization (Follow-on to Lance, TASM, and modernized 155mm nuclear artillery rounds), strategic sealift and airlift, continued fill of POMCUS, and improvement in the CS/CSS shortfalls.

Question. Which readiness items (training, flying hours, etc.) are crucial and which items could be reduced without seriously impacting readiness?

Answer. Cuts in readiness funding, specifically in training, OPTEMPO, equipment, or equipment readiness would reduce the readiness of our forces. Unfortunately, there is no direct formula which can be applied to show that a reduction of 10% in funding will result in a 10% reduction in readiness. In fact, the recent stand down of most tactical jet flying in the Federal Republic of

Germany indicates that a small reduction in OPTEMPO can result in a large reduction in readiness. For example the stand down roughly equated to a 7% reduction in OPTEMPO funds (25 days out of 365 days) for 11 units. Over half of the 11 units dropped to C–3 or C–4 in readiness status with the remaining units dropping from C–1 to C–2. Most of those units recovered during the next 30 day period but some are still reporting C–3 and C–4.

Question. We have found that it is often difficult to directly measure the impact of funding on readiness. We believe that the more flying hours a pilot gets the more "ready" he is, but have you found a good measure for how much more readiness is purchased with an additional dollar or each additional hour of flying?

Answer. No, there is currently no analytical linkage between a percentage increase in readiness funding and a corresponding percentage increase in readiness. As stated above, the flying stand down for 25 days in the FRG resulted in 54% of the units dropping to C–3 or C–4 due to training shortfalls. An Air Force study of the bombing accuracy of A–10 and F–16 aircrews showed that the closeness of bombs to the target correlated with the pilot's mission time in fighters. A measurable increase in pilot capability occurred at 1400 hours of mission time for the A–10 and 900 hours of mission time for the F–16. Pilots over these thresholds demonstrated an increase in bombing accuracy with increasing practice to the point of maximum bombing proficiency around 40 hours per month, approximately twice the programmed level.

RELIANCE ON GUARD/RESERVE FORCES

Question. The inception of the "Total Force" concept in 1974 increased our reliance on the Reserve Components. Today, with all the discussions on active troop reductions and/or troop withdrawal from certain areas, additional requirements will be added to the missions of the Reserve components. To what extent does CINCEUR depend on Reserve personnel? On National Guard personnel?

Answer. The U.S. European Command, like the Department of Defense, relies on the Reserves and Guard to meet military missions in mobilization scenarios and in day to day operations. In our reinforcement planning, over a million combat, combat support, and combat service support personnel would deploy to USEUCOM's area of responsibility. ———.

Question. In your opinion, is there a requirement for additional support from the Reserve Component?

Answer. I have made my military force and equipment requirements known through a variety of Department of Defense fora. I do not specify whether such requirements should be sourced from the Reserve or Active component and am primarily concerned that my reinforcing forces be well equipped, organized, trained, and available in a timely manner.

Question. How well do assigned units (Reserve Component CS/CSS) perform their missions?

Answer. ———.

Question. The General Accounting Office (GAO) issued a report on Military Capability—Readiness and Sustainability of U.S.

Forces for a Conventional Conflict, dated August 1988. In this report, GAO stated that while the Department of Defense has achieved its objective of properly manned, equipped and trained combat forces it has been at the expense of Army combat-support and combat service-support forces. In general, do you agree with the assessment of the GAO?

Answer. Yes and I have informed the JCS of my concern. ——— and Army Reserve Component (RC) CS/CSS units are greatly in need of modern equipment/training. We must continue to support RC modernization programs to minimize the impact of this problem.

Question. Specifically, how does the low readiness level of the Army reserve combat-support and combat service-support units affect your command?

Answer. Since they are CS/CSS units, they impact upon force sustainability. In other words missions such ———.

Question. Will these units be an effective force by their scheduled deployment date?

Answer. That is a difficult question to answer, and would more properly be answered by CINCFORSCOM. However, each unit would have to be viewed separately. If sufficient equipment, training and personnel could be provided during the period between mobilization and deployment, the units could be an effective force.

Question. What contributes to the low readiness level, i.e., number of personnel, number of unskilled personnel, shortage of equipment, equipment in poor repair, etc.?

Answer. All of the above. However, the latest Reserve Forces Policy Board Annual Report indicated that individual skill qualification, assigned personnel strength, and equipment condition were the most critical limiting factors in that order. Of note is the fact that equipment is on hand in decent numbers, but it tends to be old and obsolete, so equipment condition suffers.

Question. What are your recommendations on how to remedy these deficiencies?

Answer. We must continue to modernize and update our Reserve Component units at the same pace as our active duty units. Additionally, we should support Reserve Component recruiting and retention incentive programs as much as possible.

Question. Are there any other problem areas (not already addressed) concerning the readiness of the Reserve Components in your command?

Answer. There are almost no reserve units assigned to USEUCOM, so we have no additional specific problems to identify. The Reserve Forces Policy Board, which serves as the principal policy adviser to the Secretary of Defense on Reserve Component matters has identified many Reserve Component issues in their Annual Report. Since most of these units would go to USEUCOM after mobilization, I support their recommendations.

LANCE MISSILE

Question. The budget proposes beginning a $1 billion program to replace the Army's nuclear capable Lance missile which is obsolete. Lance is used to support the European theather.

What is your requirement to replace the Lance missile?

Answer. NATO heads of state recently reaffirmed the need for ground-based nuclear missiles in the Alliance's Comprehensive Concept of Arms Control and Disarmament. In a further statement of support at the NATO Summit, the Allies recognized the value of continued U.S. funding in support of research and development for a Follow-on to Lance.

The current Lance was deployed over the years 1972–76 with an expected lifespan through 1985—a service life extension program is underway to keep it operational to 1995. Beyond 1995, however, shortfalls in system reliability, accuracy, survivability, and range will render the Lance obsolescent and no longer credible as a deterrent system. Attempting to extend the service life of Lance beyond 1995 would not resolve system erosion problems, particularly in reliability and survivability.

The European Theater needs a follow-on to Lance to meet mission requirements after 1995. New technology available in the Lance follow-on will provide NATO with the credible, landbased deterrent it needs and will allow reductions in other theater based nuclear weapons.

Question. Has this become more urgent due to the INF treaty?

Answer. Yes. Although FOTL was recognized as a requirement long before the INF treaty, the loss of INF systems places an unrealistic burden on our remaining land based nuclear assets, Dual Capable Aircraft (DCA), to cover the targets required for deterrence. An accurate, longer range FOTL would relieve DCA of the short range strike burden. In addition, DCA is tied to a limited number of known airfields and subject to attack with relatively few weapons. FOTL, through mobility and multiplicity of aimpoints, would greatly complicate a Soviet attempt to attack NATO's nuclear capability.

Question. The Army wants to have the Lance replacement use the same launcher as used for conventionally armed MLRS (Multiple Launch Rocket System) and ATACMS (Army Tactical Missile System).

What are the arms control implications of mixing conventional and nuclear munitions on similar launchers?

Is this wise?

Do you favor dedicated launchers for the Lance replacement?

Answer.

a. Since SNF negotiations have not begun, the implications are, as yet, unknown. If we allow the launchers to be bargained, vice the FOTL missile, we would lose significant conventional fire support. Measures of verification other than total absence of controlled items will need to be developed, just as they have been for strategic systems.

b. We believe it is. Both the U.S. and our Allies need to explore ways to maintain security as resources decrease. We can afford neither the financial nor manpower costs of a separate nuclear—only system. Dual capability allows one launcher with as few as three people to conduce both nuclear and conventional operations.

c. No. Dedicated FOTL launchers would perpetuate the undesirable situation that we have with Lance—few launchers that must be protected to preserve our nuclear capability. Again, we cannot afford the resources and manpower costs.

Question. The Armed Services Committees have legislative restrictions against providing a nuclear capability to the ATACMS missile. What are the implications for your Lance replacement program?

Answer. None, the current ATACMS missile is not a candidate for FOTL because it cannot achieve the required range of ———. Accordingly, the U.S. Army intends to develop a new missile for the FOTL requirement.

[CLERK'S NOTE.—End of questions submitted for the record.]

TUESDAY, FEBRUARY 7, 1989.

COMMANDER IN CHIEF, UNITED STATES ATLANTIC COMMAND

WITNESS

ADM. FRANK B. KELSO, II, U.S. NAVY, COMMANDER IN CHIEF, U.S. ATLANTIC COMMAND

INTRODUCTION

Mr. MURTHA. The committee will come to order.

Today we are pleased to welcome Admiral Frank Kelso in his first appearance before the committee as Commander in Chief of the United States Atlantic Command. We will place your biographical sketch and the complete text of your statement in the record.

In the interest of time and to allow the maximum amount of time for discussion, we would ask you to briefly summarize your statement, and then we will begin with questions.

Your predecessor was nominated to the Academy by the chairman of the full committee. He always said how proud he was of Admiral Baggett. I guess he is retired now and out of the system. Welcome Admiral, we look forward to your comments.

SUMMARY STATEMENT OF ADMIRAL KELSO

Admiral KELSO. Thank you, Mr. Chairman.

I am pleased to have the opportunity to participate in this hearing this afternoon, and I appreciate my statement being entered in the record.

That statement addresses the current military strategy in the Atlantic Command, our forces, and my priorities and concerns.

I hope it will not only give you a good appreciation of my area of responsibility, but also contribute to your ongoing examination of the relationship between the stated goals of our national strategy and the resources that must be allocated to national defense to achieve those goals.

READINESS OF ATLANTIC COMMAND

This is my first appearance before the distinguished members of this committee as Commander in Chief Atlantic; and it is in that capacity that I report to you the readiness and capability of the Atlantic Command have never been better.

Our operational forces have benefited from tremendous improvements during the past decade. As a result of the significant commitment to defense by our political leaders, with the support of the American people, we have recovered from the neglect of the seventies—a bleak period when we at times had ships that were unable to get underway—a period when aircraft readiness suffered because of too few spare parts and trained maintenance personnel—a period when morale sank to a historic low. It is essential that we protect the substantial gains of the 1980s.

In preparing my remarks, I was struck by some of the common threads that are woven into both my statement and those of my predecessors.

At the same time, I am aware there may exist a greater prospect now than a year ago, for a lessening of tensions between East and West.

There is greater optimism for progress in arms control and in many other matters which historically have been a source of friction.

SOVIET MILITARY CAPABILITIES

Certainly changes are taking place within the Soviet system, but the extent and duration of these changes are unknown.

We can watch and hope for improvements in the way we do business, but we still live in a dangerous, unpredictable world.

And, today's military realities are not as positive as some political projections of the future would have you believe.

While there has been a reduction in the number of Soviet out-of-area naval operations, the Kremlin has aggressively pursued a naval construction program which includes advanced submarines, surface combatants and aircraft carriers.

In fact, Soviet military capabilities continue to grow across the board.

We are seeing frontline Soviet naval aviation units deploy for the first time to forward areas on the Kola Peninsula, adjacent to the Barents Sea. Their Yankee strategic submarines are once again on patrol in the Western Atlantic.

Strategic warheads at sea are increasing as they deploy new and more advanced systems.

So I would like you to understand that I am not oblivious to the reassuring prospects which are capturing the headlines. But, as a unified commander, I must be a realist and pragmatically approach my command responsibilities based upon what is observed rather than what we might hope. And today, the Soviet Union stands as the only nation able to present a serious military threat in my area of responsibility.

Until we see real and substantial reductions in their military capability, we must remain ready to meet the challenges at hand.

To look to this task forms the essence of my duties as a unified commander.

CONCLUSION

Thank you for asking me to appear. Your strong support for the armed forces over the past years has been instrumental in the significant positive change that we in uniform have experienced and I believe most of you have observed.

Mr. Chairman, I will try to answer your questions.

[The biographical sketch and statement of Admiral Kelso follow:]

SUPREME ALLIED COMMANDER ATLANTIC

COMMANDER IN CHIEF US ATLANTIC COMMAND

ADMIRAL FRANK B. KELSO II

UNITED STATES NAVY

Admiral Frank B. Kelso II, a native of Fayetteville, Tennessee, attended public school and The University of the South in Sewanee, Tennessee, prior to entering the U.S. Naval Academy in 1952. Following graduation in 1956, he served on the cargo ship USS Oglethorpe prior to attending Submarine School in 1958.

On completion of training, he was assigned to the submarine USS Sabalo before returning to Submarine School for nuclear power training in January 1960. Upon completion, he served one year in the Nuclear Power Department at the school. Subsequent tours included the precommissioning crew of USS Pollock, Engineering Officer on USS Daniel Webster and Executive Officer of USS Sculpin.

From January 1969 to August 1971, he served as Commanding Officer, U.S. Naval Nuclear Power School in Bainbridge, Maryland. Following tours included Commanding Officer, USS Finback; Staff of Commander, Submarine Force, U.S. Atlantic Fleet; and Commanding Officer, USS Bluefish. Admiral Kelso was then assigned as Executive Assistant to the Commander in Chief, U.S. Atlantic Command and U.S. Atlantic Fleet and Supreme Allied Commander Atlantic from September 1975 to July 1977.

He served as Commander, Submarine Squadron Seven until reporting as Division Director, Submarine Distribution Division in the Naval Military Personnel Command, and Section Head of the Submarine Programs Section in the Office of the Deputy Chief of Naval Operations (Manpower/Personnel and Training) in September 1978. He was selected for promotion to the rank of Rear Admiral in February 1980.

Upon selection for flag rank, Admiral Kelso served as Director, Strategic Submarine Division, Office of the Chief of Naval Operations, and then was assigned as Director, Office of Program Appraisal, Office of the Secretary of the Navy. On February 8, 1985, Admiral Kelso became Commander Sixth Fleet and NATO Commander Naval Striking Force and Support Forces Southern Europe. On June 30, 1986, Admiral Kelso was promoted to Admiral and assumed the duties of Commander-in-Chief, U.S. Atlantic Fleet. Admiral Kelso became Supreme Allied Commander Atlantic and Commander-in-Chief, U.S. Atlantic Command on November 22, 1988.

Admiral Kelso has been awarded the Distinguished Service Medal (three awards), Legion of Merit (four awards), Meritorious Service, Navy Commendation and Navy Achievement Medals.

He is married to the former Landess McCown of Florence, South Carolina. They have four children: Thomas, attending medical school; Donald, who is in the Navy; Mary, who works in Norfolk, Virginia; and Kerry, a student attending college.

FOR OFFICIAL USE ONLY UNTIL RELEASED BY THE

HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON DEFENSE

THE U.S. ATLANTIC COMMAND
STRATEGY, CAPABILITIES AND PROSPECTS FOR THE FUTURE

7 FEBRUARY 1989

A PRESENTATION BY

ADMIRAL FRANK B. KELSO, II
Commander in Chief, U.S. Atlantic Command

31 January 1989

Introduction

Mr. Chairman and members of the Committee, I appreciate your invitation to discuss the Atlantic Command and the important part it plays in our National security. As this is my first appearance before this committee as USCINCLANT, I hope to give you a good appreciation of my area of responsibility, explain our strategy with present and programmed military forces and to discuss strengths and areas of concern in the Atlantic Command.

In preparing this statement I was struck by its similarity with the statements of my predecessors; while at the same time recognizing the general feeling in the United States and in Europe that progress has been made toward resolving some of the issues causing friction between the United States and the Soviet Union. An improvement in the way we do business is, in my judgement, good for the entire world. However, in spite of the rhetoric, I must approach my command responsibilities based on the military threat which is possible and observed. While there has been a reduction in Soviet out-of-area naval operations, there has not been a reduction in existing naval forces or a decrease in new construction of naval combatants, support ships and aircraft; and, in fact, we have seen a deployment of frontline Soviet naval aviation units to forward areas in the Kola Peninsula, adjacent to the Barents Sea; and Yankee strategic submarines have resumed patrols in the Western Atlantic. So, I would like you to understand I am not oblivious to what is making front page news; but, as a military commander, I must be a realist and pragmatist and prepare for the observed threat or challenge. I believe that is what you wish me to do.

I sincerely hope the tensions in our world will continue to decrease. But, until we see a change in the military capability of the only nation able to provide a serious challenge within my area of responsibility we must remain prepared to meet that challenge. I strongly believe forty years of preparedness to meet that challenge is a major reason for the encouraging developments now underway in the Kremlin.

Atlantic Command

The Atlantic Command is primarily a maritime command. It encompasses the entire Atlantic Ocean, the Caribbean and Gulf of Mexico. In addition, it includes waters in the Pacific adjacent to Central and South America. The Atlantic Sea Lines of Communication (SLOCs) are a major link between the United States and the rest of the world. Through this area pass many of the strategic raw materials, petroleum and finished products which are the foundation of world trade. And it is over these same SLOCs that reinforcement and resupply shipping must flow in the event of conflict, of whatever intensity, in Europe, the Middle East or Africa.

I cannot overstate the importance of the Atlantic to the U.S. and our NATO allies. In a conflict with the Soviet Union, my responsibility is to support the land campaign in Europe by ensuring the safe and timely flow of personnel and equipment over the SLOCs, and by the direct application of combat power in support of the land campaign.

Failure to keep open this link to Europe would ensure defeat of Allied ground forces in Europe. Regardless of how well our ground and air forces would fight, the seaborne flow of equipment and supplies is absolutely essential to sustain the battle. This has been clearly demonstrated in two world wars.

Strategy in the Atlantic

Recognizing the challenge we face in the Atlantic, both the U.S. and NATO long ago adopted a maritime strategy based upon the principles of forward defense and containment. Forward defense, simply stated, means that in conflict our best means to defeat the Soviet Navy, defend the Northern Flank of NATO and maintain an unbroken link with Europe is through the early movement of naval forces to the North Atlantic and Norwegian Sea. If such a movement can be accomplished prior to the outbreak of hostilities, it would strongly signal our resolve to protect our interests, hopefully deter war; and, if conflict arose, place us in a position to fight effectively.

The advantage of forward defense is that if we are unable to deter war, then our forces will be in position to fight and to contain the majority of the Soviet Navy in waters far north of the Atlantic sea lines of communication. If we can fight there, containment is far simpler than it will be if the Soviet Navy were able to reach the open Atlantic south of Iceland. We do not have sufficient forces to simultaneously support the Northern flank and adequately defend shipping against a Soviet Navy deployed in large numbers throughout the Atlantic. Forward defense minimizes this numerical weakness, while at the same time capitalizing on Soviet geographical disadvantages. The Soviet road to the open ocean is narrow, fifteen hundred miles across the Norwegian Sea, and adjacent to a network of NATO eyes and ears.

Of great importance to success in a battle for the Atlantic is our ability to operate from NATO facilities both in Iceland and in Norway. If we were to lose North Norway and Iceland, our position in the Norwegian Sea would be untenable; Soviet forces would have easy access to the open Atlantic; and ports in the United Kingdom and northern Europe would be vulnerable to Soviet air attack from occupied forward bases in Norway. Again, the early movement of forces would deny the Soviets such opportunities.

U.S. Forces

While we lack forces in sufficient number to execute all wartime tasks simultaneously, the readiness of the active forces remains high. The overall quality of ships and aircraft is superior to that of the Soviets. In quantity and quality of forces, we continue to reap the benefits of the increased funding provided during the first half of this decade; however, the rate of improvement has slowed or halted. Zero or negative growth will have its impact downstream. We may be beginning to see the first signs that equipment and supply readiness have peaked.

The 315 active and reserve ships of the Atlantic Fleet are operating at unprecedented peacetime levels. While the Iran-Iraq cease fire has allowed a moderate reduction in forces assigned to the Joint Task Force Middle East, our Indian Ocean and other worldwide commitments show no sign of decreasing. Thus far, the Navy has been successful in the very important effort to limit deployment length to a maximum of six months and assure our sailors a minimum of fifty percent time in homeport over the course of a normal operating cycle. This policy, essential to retention of quality personnel, is possible because the growth of the fleet in the eighties has provided the capability to meet our commitments and give the American sailor more time at home. We must adhere to the commitment of a fully manned, modern Navy to avoid a return to the situation we faced in the 1970's, when we wore out our equipment and people and experienced a tremendous loss of capability to meet national requirements.

In addition to CINCLANTFLT, the Army and Air Force also provide significant forces for the defense of Iceland and the Azores. Particularly important are the USAF F-15 Interceptors and E-3 AWACS permanently stationed in Iceland.

Allied Forces

Within the Allied Command Atlantic, non-U.S. NATO forces provide over forty percent of the destroyers and frigates, nearly one-quarter of the nuclear attack submarines and maritime patrol aircraft, all of the general purpose submarines and the only two

ASW carriers. European nations provide virtually all of the mine countermeasures ships and nearly one-half of the reinforcement and resupply shipping. Our NATO allies are absolutely essential to cope with the 350 Warsaw Pact Northern and Baltic Fleet submarines and surface combatants that can oppose us. The existence of NATO and the contributions of our European Allies to the common defense allow the U.S. to maintain a smaller Army, Navy and Air Force than would otherwise be prudent. If war were ever to occur with the Soviet Union, U.S. success would be inexorably tied to the substantial contribution made by our Allies.

Operational Deficiencies

Forces: We lack forces in sufficient numbers to execute all wartime tasks simultaneously. With respect to maritime forces:

- Early wartime availability of adequate numbers of Carrier Battle Groups is questionable. Specifically, we need a minimum of four Carrier Battle Groups in the Atlantic; CINCEUR needs four in the Mediterranean. Currently only six carrier battle groups are available to support the collective requirements for eight. Overall, our wartime naval fleet disposition calls for fifteen deployable Carrier Battle Groups to provide the minimum essential level of capability to CINCPAC, CINCEUR and CINCLANT.
- Within USCINCLANT there is currently a shortfall of about thirty surface combatants to meet Battle Group and Task Force war plan requirements.

- In time of general war, the quality and quantity of MCM assets are inadequate to execute timely port breakout and support for amphibious operations.
- Although the first LHD (WASP) will be delivered this Spring, we will remain unable to fully execute CINCEUR's wartime requirements for amphibious lift.
- Carrier and battleship battle groups, when fully employed, cannot be fully supported with combat logistics force support ships.

With respect to the USCINCLANT Army component (ARLANT), the Roland air defense capability is being deleted this fiscal year; no substitute is planned. Also, in spite of aggressive cross-leveling and redistribution, combat support and combat service support units have serious shortfalls and lack essential theater stocks and medical equipment.

While some of these basic force shortfalls could be satisfied through reapportionment or reassignment of forces, this would result in inadequate forces for other theaters and warfare tasks.

Sustainability: The logistics sustainability of Atlantic Command forces continues to improve as we receive deliveries of munitions and spare parts from prior year funding. While the Atlantic Fleet is today deploying fully ready Battle Groups, there are shortfalls in preferred munitions for the greater number of Battle Groups required in wartime. Shortfalls are primarily in air-to-air and anti-radiation missiles, torpedoes, sonobouys, and weapon handling equipment.

Air Force ordnance sustainability for the Atlantic Command continues to improve, both in level of effort and threat munitions. But, like the Navy, there are still shortfalls in preferred munitions. In spite of reduced funding for replenishment spares over the past few years, Air Force sortie estimates virtually match wartime requirements. This is directly attributable to the full funding in FY 85, up to three-year procurement lead time and carry over of existing repairable spares. However, as a result of funding reductions experienced during the past four years, the projected wartime sortie generation capability in the FY 90-94 time frame shows a decline.

Command, Control, Communication, Surveillance, Intelligence and Electronic Warfare: There have been significant improvements in these areas, particularly in the past two years, but deficiencies remain in the following broad categories which are critical for all phases of joint operations (planning through execution):

- Survivable, interoperable, secure anti-jam communications.
- Assimilation and correlation of information.
- Surveillance systems.
- Strategic connectivity.

Operational deficiencies in electronic warfare are centered on delays in getting existing technology and capability fielded in adequate numbers.

Priorities

Personnel Readiness: My highest priority is for programs that support people -- our most perishable asset. The superb readiness condition of our forces today is in great measure a result of the remarkable dedication and morale of the young men and women in the armed forces. The strong support of the previous Administration and Congress to provide sufficient pay and benefits to these dedicated young people is in no small measure responsible for their morale and their clear understanding that the American people support and admire their efforts. I thank you for this support and ask your continuing support for adequate pay and the quality of life programs so necessary for retention of these magnificent young people in uniform.

Fair and competitive levels of military compensation are essential to our ability to recruit and retain skilled, dedicated and productive people. We need to pay our people in uniform wages that are commensurate with what they can earn in the civilian sector. Despite the 4.3 percent pay raise approved for FY 89, we still have a 10.1 percent comparability gap as a result of military pay raises being capped below the average private sector wage increases since 1982. We must maintain a military compensation program that can compete with other employment alternatives. I ask for your support of the 3.6 percent FY 90 pay raise as submitted in the President's Budget.

I also ask your support for the modest end strength increases included therein. For several years Navy end strength was not allowed to increase with force structure growth. In order to fully man the Atlantic Fleet, we have had to draw down on shore establishment manning. Without end strength increases, the sea-shore rotation of our sailors (the majority of whom spend more than 55% of their careers on sea duty) will be adversely impacted.

The most effective tool currently available to achieve Navy end-strength and maintain high experience levels in certain mission critical skills is the Selective Reenlistment Bonus (SRB) program. For example, retention of enlisted supervisors (E4-E9) in nuclear power surface ships improved from 35 percent in FY 82 to 54 percent in FY 87 as a direct result of SRB. However, the best example of the effects of SRB is seen when comparing reenlistment rates for mission critical skills between first quarter FY 87 when there was SRB, and the first quarter FY 88, when there was no SRB authority.

	FY 87	FY 88	Change
First Term	52.3%	35.5%	-16.8%
Second Term	69.4%	45.8%	-23.6%

As shown, the SRB program results in a direct and significant impact on retention. This program must continue, without disruption, if we are to successfully retain highly skilled and trained individuals.

In our officer corps, both the Air Force and Navy continue to experience a severe exodus of experienced pilots. High pilot losses in certain aviation communities jeopardize combat readiness. In order for the military to remain competitive and to retain critically needed officers, existing monetary incentive programs such as Aviation Career Incentive Pay (ACIP) and Aviation Officer Continuation Pay (AOCP) should continue to receive your support.

Similarly, we continue to experience retention problems with nuclear trained naval officers. Although there is still a 20% mid-grade shortage, we anticipate this to be reduced significantly as a result of recently authorized enhanced nuclear officer incentive pay contract amounts.

Material Readiness: The outstanding condition of our forces also reflects prior year commitment to funding of spare parts, operational training, depot level maintenance, modernization and facilities maintenance. The funding for these operation and maintenance accounts invariably is the first to be impacted by reductions in defense spending. The full effect of reduced funding in these areas is not reflected immediately in unit readiness. It takes time for ships, aircraft squadrons and battalions to draw down on spare parts stock levels, and for personnel proficiency and equipment reliability to decline. President Reagan's budget attempts to preserve our hard earned readiness gains within the context of overall reductions. Even so, it is a fact that readiness in the Atlantic Command has leveled off and the positive trend of the past few years will likely reverse.

ASW: My top warfighting priority is to maintain our anti-submarine warfare capability in the face of the rapidly improving quality of the Soviet submarine threat. The Soviets are incorporating quieting technology in every new and overhauled submarine, and this has seriously reduced our ability to detect them.

While we are still slightly ahead, the Soviet quieting trend indicates their best may soon equal ours. This technological breakthrough, coupled with a Soviet production rate of about 9 new submarines a year, means that in ten years nearly one-third of the Soviet force -- 100 submarines -- will be equipped with their modern quieting technology. Compare this to our projected 1998 SSN force of about 100, two-thirds of which will be more than 10 years old. Failure to regain our previous margin of submarine technological superiority would place in jeopardy our ability to prevail in a war with the Soviets. The FY 90/91 budget supports a balanced ASW program that includes the necessary investment in ASW research and development and keeps the SSN-21, P-3 Modernization, Surface ASW Improvements, Fixed Distributed System, DDG-51 and torpedo programs on track.

Sustainability: We must continue to address specific sustainability shortfalls that would hinder our ability to conduct operations in a prolonged war. The most serious concerns, all partially funded to meet required inventories, are:

- air-to-air missiles (AMRAAM; PHOENIX)
- anti-radiation missiles (HARM)
- torpedoes (MK 48 ADCAP; MK-50),
- sonobuoys
- other preferred weapons (IIR MAVERICK; SM-2 MR/ER)
- replenishment spares
- POL
- equipment to sustain operations in a chemical warfare environment.

Command, Control, Communications, Surveillance, Intelligence, and Electronic Warfare: These capabilities are required to support every warfare area in times of crisis and hostilities. They are necessary for indications and warning, and must be adequately survivable to perform in an environment of intense electronic jamming and deception. Priority programs are:

- Secure and anti-jam communications (SINCGARS; HAVE QUICK; JTIDS)
- Surveillance upgrades (North Atlantic Defense System; IUSS; ROTHR/OTH-B; AWACS radar improvements)
- Electronic Warfare (Air to Surface ECM upgrades/Combat DF/BGPHES)
- Strategic connectivity (MILSTAR; VLF/LF)

Forces: We must continue modernization of our forces through fielding adequate numbers of new systems each year to maintain our qualitative edge.

Security Assistance: The programs that make up security assistance to Caribbean nations provide us positive leverage an order of magnitude greater than their relatively small dollar investment. Our assistance enables nations to develop indigenous security capability and strengthens ties to the U.S. through equipment and training. Since 1984, the U.S. has invested nearly $750M in Security Assistance to Caribbean Island nations. The impact of continued near zero Economic Support Fund (ESF) and Military Assistance Program (MAP) funding for the Caribbean will be to jeopardize the stability of this neighboring region. After extensive consultation with the US, Caribbean nations acquired the equipment necessary for their basic security needs in the early 1980's. They understood that some of this equipment would require a constant level of maintenance costs in the out years and asked for assurances that these costs would be covered. We gave them those assurances. Abandonment at this juncture will eventually:

- result in erosion of U.S. credibility and confidence.
- lead to degradation of Caribbean security force capability developed since 1984, which will have a negative effect on regional stability.
- hamper the growing contribution Caribbean nations are now making to drug interdiction.

We need your support to restore security assistance programs which underpin Caribbean stability. The 10-12 million dollars needed is a bargain compared to the approximately $1 billion per year in military aid and about $4.5 billion per year in economic support provided by the Soviet Union to the Caribbean's most formidable military power ... Cuba.

Drug Surveillance

We are in the planning process to undertake the anti-drug surveillance mission which the Administration and Congress assigned to the Department of Defense in the last Congress. We envision CINCLANT taking responsibility for drug surveillance operations in the Atlantic area of responsibility. This operation is to be directed by a flag officer with his staff and headquarters in Key West, Florida. He will be in charge of all anti-drug surveillance operations and be responsible for coordination with other agencies and commands involved in surveillance and interdiction. He will report directly to USCINCLANT.

Conclusion

Program changes of the magnitude required to hold the 90-94 FYDP at 2% real growth increase our risks and diminish our ability to deter war with the Soviet Union and to influence events worldwide. Soviet military power, regional conflict and state-supported terrorism will not depart the world scene in the foreseeable future. We must resist the temptation to size the defense budget in isolation of these realities.

The strategy of forward defense remains valid within the projected context of reduced funding and military capability. The inherent flexibility of maritime forces supports this general strategy without diminishing our ability, short of general war, to respond to regional crises.

I support the overall priorities and balance of the FY 90/91 budget. Further reductions or changes to its basic composition, however, could substantially accelerate a decline in current military capability. In the near term, it is important that military pay at least match expected inflation rates. In the long term, a plan to close the civilian pay comparability gap is needed to avoid an exodus of talent from which we would be hard-pressed to recover.

This completes my presentation and I am prepared to answer your questions.

SECURITY ASSISTANCE

Mr. MURTHA. One of the questions I have been asking the other commanders is about security assistance. In talking to them informally, as well as formally before the committee, they gave me the impression that there wasn't any flexibility. In the first place, they didn't get the amount of money they felt they needed in security assistance, and they didn't feel they had the flexibility they needed. Could you go over the security assistance program?

Admiral KELSO. We are talking primarily about the Caribbean and Iceland. The Caribbean Military Assistance Program was zeroed in fiscal year 1988. After Grenada we asked several of the smaller nations in this region to band together and develop an indigenous security capability.

At first they resisted this because they viewed it as an unaffordable expense, but after extensive consultation with the United States, they acquired the equipment and we pulled the rug of security assistance out from under them.

Mr. MURTHA. How much are we talking about?

Admiral KELSO. We asked for about $8 million in fiscal year 1988, and it was zeroed.

Mr. MURTHA. What would that money have meant?

Admiral KELSO. It would have funded training for their military personnel. Training to use the equipment which they had bought or we had given them and it would also give them a view of the United States they wouldn't have otherwise. I think the view they got was they were assured a constant level of maintenance costs would be provided and we failed to provide that funding. It is such a small amount in the area of the world I am dealing in. We chose to put the assistance only in places that had a high priority. Regrettably, we could not cover all of our commitments. We had zero flexibility.

In fiscal year 1989 there is $3.5 million provided for that part of the world. That will help, but it won't be substantial.

Mr. MURTHA. What will we be buying in the Caribbean?

Admiral KELSO. Good will and support for humanitarian projects. One of the successes we have had was after the recent hurricane in the Caribbean when we were able to spend $10 million in Jamaica. A major impact came out of that, Mr. Chairman. We were able to provide that through section 506 Alpha of the Foreign Assistance Act, which allows us to use the surplus out of the DOD. The Army National Guard and Air National Guard provided that assistance before Christmas.

Jamaica is about to have an election. I think it impressed both parties in the election that the United States was willing to help. It restores their security force, things that were damaged that are of benefit to the national defense of the people.

Mr. MURTHA. Does the Soviet Union spend money there?

Admiral KELSO. They provide approximately $1 billion a year in military aid and $4.5 billion a year in economic aid in Cuba. I don't know what they spend in Central America. The balance, looking at it East and West, is dramatic to the people in that area.

ATLANTIC COMMAND GEOGRAPHIC AREA

Mr. Murtha. What is your geographic responsibility?

Admiral Kelso. My geographical responsibility is from pole to pole in the Atlantic; the tip of Africa splits the PACOM AOR at that point; and I am responsible for the waters on both the east and west coasts of South America.

Mr. Murtha. So you have South America——

Admiral Kelso. I don't have the land area of South America. I have the water area adjacent to South America. It has been that way for a long time. Providing the Panama Canal is open, I can get naval forces to that area faster than PACCOM can. We wanted one commander to deal with all the naval forces in Latin America rather than having it split between two.

STRATEGIC SEALIFT

Mr. Murtha. What is your responsibility when it comes to sealift?

Admiral Kelso. I am responsible for seeing that sealift gets to where it is destined to go, sir. In other words, I am responsible for protecting it.

Mr. Murtha. How does that fit in with General Cassidy's responsibility?

Admiral Kelso. General Cassidy is responsible for loading it, determining its destination, getting it to me, so that I can see that it safely gets to the designated European port of destination.

Mr. Murtha. What shape are we in in sealift?

Admiral Kelso. Across the board, not in very good shape. That is particularly true in the United States. It is declining both in the U.S. and in the Western world.

Mr. Murtha. All the CINCs have said that 90 to 95 percent of the hardware that is transported to a combat area will go by sea, and you are saying that we are not in very good shape. What are we doing about it?

Admiral Kelso. I agree with what you said. I don't think anybody would dispute that 90 to 95 percent of the cargo would have to go by sea. We are not doing much about it in some ways. From the standpoint of rebuilding the U.S. Merchant Marine, I don't see positive prospects on the horizon. It is not economic or feasible to operate a U.S. Merchant Marine of the size we had at the beginning of World War II. We have not built a Merchant Marine hull in this country in several years, and I know of no prospects of building any. There is no U.S. industry building cargo ships today. Our Western allies are a little better off. They have more shipping than we do. Much of it is under a flag of convenience, however, and crewed by persons that are not indigenous to the country owning the vessel.

If you look at our planning to reinforce and resupply Europe, we depend upon U.S. vessels and vessels from our allies that have been designated and are available to use. But exactly when they will be available is the $64 question. The economic loss to the shipowner and whether he will be willing to give up the ship and make it available is also a question.

If you look at the total number of bottoms available to the West, there are probably enough to adequately move the cargo. But we don't completely control them, and we are greatly dependent upon our allies for those bottoms; I see no change in that.

Mr. MURTHA. How does that work? I got the impression that this was General Cassidy's responsibility to provide the transportation. Is that accurate?

Admiral KELSO. Yes, sir.

Mr. MURTHA. You actually have the responsibility once it is provided to get it to where it is going?

Admiral KELSO. Yes, sir. General Cassidy would tell us the destination. We have a Navy Control of Shipping organization in the Reserves which is trained to provide for shipping convoys and directing them across the Atlantic. We don't have them in the active Navy today, but they train every year and know what they are doing.

They would be responsible for taking the ships as they come out of port and giving them the right kind of routing; whether by convoy or independent sailing. My job would be to identify where I think the density of submarines is the worst so that area can be avoided. Or I recommend a convoy and slow the ships down until we are able to get military escorts to go with them. I would be responsible for their safety.

Mr. MURTHA. Your responsibility isn't to supervise the convoy, it is to protect the convoy——

Admiral KELSO. I would include supervision within protection. You need a convoy commodore if you are going to use a convoy system. We would provide direction to the convoy commodore.

NAVY MEDICAL CARE

Mr. MURTHA. We have had a terrible problem with medical services in the Navy. I visited the Persian Gulf a year or so ago, and I thought the sailors would be worried about hazardous duty, but they weren't worried about that, they were worried about their dependents not being taken care of.

I returned here and ran into the fellow that was running the Army Hospital at Walter Reed. He said the Navy was sending all their people from Bethesda to Walter Reed, and he couldn't handle it. I went out to Bethesda with a couple of staff and found tremendous shortages; ICU units closed down, et cetera. We tried to put more people in, and that didn't work. The Navy put a blue ribbon panel together, and I don't know if you were on that panel, but it was a group of Admirals, and they said "We are now going to turn the responsibility over to the commanders."

I am glad they have done that, because I think it is reprehensible the care the dependents were getting in the Navy. At Camp Lejeune they were waiting as long as five hours to get medical service, and that is unacceptable.

Have you seen a change in it, and is there anything else we can do? Is it better than it was a year ago?

Admiral KELSO. Mr. Chairman, I don't know that I can say that it has changed that much. I think that we are working very hard to try to make a change. I share your concern about our medical service. In my travels through the fleet, I believe it is the most often question I am asked by active duty, by dependents and by retired personnel. Their concern is not, in my view, the quality of medical care they receive if they are accepted into a naval medical facility. Most all believe that the quality is good.

In my own case, I can say that certainly in my family it has been excellent for over 30 some odd years. The question is will it be available to me, and will I have access to it? That is what the retired person is concerned with today.

At the same time, the cost of care under the CHAMPUS program has risen dramatically. We find in Norfolk, for example, that it costs twice as much to use the CHAMPUS program as it does in a Navy Hospital.

So we need—and that is one of the things the blue ribbon panel was suggesting—a way to get the Navy facilities to take the patients back in and reduce CHAMPUS.

We have a problem in Norfolk—an operating room technician shortage. Obviously, we have to recruit more operating technicians. To do this we are going to need help with money for enlistment bonuses, and a good program to implement it.

The blue ribbon panel is finished. The Navy is now determining how to implement the recommended programs, and I think you will soon be seeing changes taking place. I appreciate your question. I think it is vital that we do make improvements in medical care.

Mr. **Murtha**. You feel it is too early to tell whether you will be able to implement the recommendations of the blue ribbon panel?

Admiral **Kelso**. Yes. I wouldn't expect changes to come about overnight, because it takes a while to implement these programs; but I believe that we recognize the real problem. We appreciate the problem. I can't tell you that we have solved every problem, but we are trying very hard.

One of the problems is that the numbers of people we need to take care of have grown over the years.

Mr. **Murtha**. If you will measure the numbers of people available in the Navy versus the Air Force and Army, you will find you are far short of medical personnel slots.

Admiral **Kelso**. Yes, sir.

Mr. **Murtha**. I think the Navy has to also address that. We put in 800 slots, I think it was either the last budget or the budget before that. This committee tried to put in language which would allow you to pay more money to civilians coming in. As you go along, I hope you will work with the Surgeon General, because I am going to be on him about this. I am convinced the Navy has more of a problem than anyone else, and it has gotten to a critical stage.

I think the panel saw the same thing. I hope that you will make any suggestions you have, and when you come before the committee next year, I hope there will be substantial improvement. Probably the thing that will have more impact than anything else is for all of the commanders to take an interest. The guys over here are sometimes too tied up with the bureaucratic maze that they don't get a chance to get into the field, and they talk about the high level items.

This is demoralizing to the troops. If we send them overseas, we ought to take care of their dependents.

Admiral KELSO. I appreciate that support, sir. We are going to need your continued support in order to fix the problem. The numbers of those requiring medical care are too great for the numbers of physicians and support personnel that are authorized.

When you were in the Persian Gulf, you probably didn't see the surgical teams deployed on those ships; they came out of somebody's hospital, so they are there prepared to provide immediate medical attention should the need arise. But while they are deployed they are not providing medical care to the dependents back home.

Mr. MURTHA. That is right, and it means these people have to go to CHAMPUS, which costs the people and the government more.

Mr. McDade.

SOVIET SSBN ACTIVITY

Mr. McDADE. Welcome, Admiral. Let's talk for a little bit about current Soviet SSBN activitey in the Atlantic. What is the current deployment pattern? What are they up to these days?

Admiral KELSO. I will just give you a few facts. It is hard to "crystal ball" as to why they are doing exactly what they are doing. If you had looked at the Atlantic a year and a half ago, you would have noticed that they had basically stopped their Yankee-class SSBN patrols off the coast of the United States. ———.

Mr. McDADE. There is continuing concern in the Pentagon and elsewhere about the Soviets developing a short warning strategic capability against U.S. targets whether through the use of submarine-launched missiles or SLBMs with depressed trajectories.

What is the evaluation of the Intelligence Community thinking and the Navy's thinking about what is going on here? Are they getting this capability?

[CLERK'S NOTE.—Classified discussion removed.]

SOVIET SUBMARINE QUIETING

Mr. McDADE. As we hear testimony before this committee, it continues to emphasize that the Soviet ability to be more competitive with their submarine force is going to be increasingly difficult for you.

Admiral KELSO. I would agree 100 percent with that, sir.

Mr. McDADE. In view of the tremendous stakes that are involved, is there anything based on your experience and your intelligence sources, et cetera, that you think we ought to be doing that we are not doing to try to close that difference that appears to be growing between their ability to operate and our ability to detect them?

Admiral KELSO. I think we are resolving most of the issues that I am aware of by developing new sensors and capabilities to detect their submarines.

I think it is absolutely essential that we build another attack submarine, that we continue to build the kind of acoustic sensors we are putting on our ships, and upgrading our airplanes with the finest sensors we can put on them. We are seeing several improvements in those areas. We are dealing with technology. We started out with a tremendous advantage. The Soviets have improved, through some spy help, and through their own willingness to work at the problem—they have obviously been a submarine-oriented Navy for a long time. They have built six classes of submarines since we built the Ohio class, whereas we are talking about building one now. All have improved technology; all have been better equipped and are approaching quietness that is close to our submarines.

We have to be willing to do the R&D to stay in the game. If not, we are going to lose our technological edge, and the enemy will keep going.

SEAWOLF SUBMARINE

Mr. **McDade**. On phasing out the 688 class and moving into the *Seawolf,* can you describe what kind of technological payoffs the *Seawolf* class is expected to give you to cope with that threat which you don't have today?

Admiral **Kelso**. The Seawolf is a major change in submarines in several ways. ———.

Also, it has an improved sonar suite, a capability we don't have on the 688. I think those are the basic improvements in design that it gives us.

In my view, it is essential that we get on with the SSN-21. It is essential that we continue R&D for the future.

Mr. **McDade**. Do you think the sonar suite that is in the *Seawolf* will be able to cope with the threats posed by the Soviet boats?

Admiral **Kelso**. I think it will be a significant improvement on what we have on the 688, but I don't think it is the end-all in sensor systems. I think there is a greater technological possibility downstream, and we should continue to strive for that, too.

Mr. **McDade**. You are saying that the good days of the near monopoly that the Navy had in this area has long since passed, and it behooves us as a nation to be more watchful what we are doing?

Admiral **Kelso**. We can improve all of our subsurface, surface and air platforms. We have a successful ASW capability when we put it all together ———.

We can work in areas like the Atlantic where we should be able to control the air. We will be most successful when we put it all together.

Mr. **McDade**. Thank you, Mr. Admiral.

Thank you, Mr. Chairman.

A-6 ATTACK AIRCRAFT

Mr. **Murtha**. Let me ask about the A-6 aircraft. This committee has had a great concern about the transition of the A-6 to the new A-12 airplane. I personally don't see this new airplane coming on line tomorrow. It is going to be a while before that happens.

When I was over in the Mediterranean talking to pilots, they were saying that in that environment, they really needed an upgraded A-6, an airplane that had a bigger engine. They also talked about the electronic gear they wanted to put on the upgraded A-6.

I am talking to pilots who do the flying. In the Libyan raid, it was a close call, with a very small window. They hit the window exactly, but the threat was severe.

In that area of the world, you have all kinds of antiaircraft systems and they are pretty accurate. What is your assessment of the A-6? Do you need a short-term filler, or can you get by with the A-6 as it is? What is the situation?

Admiral **Kelso**. Well, I will give you my opinion. In the Atlantic Command, we have supported continuing with the A-6. Cancelling the A-6 was one of those budget decisions that had to be made when there was not enough money to fund everything you wanted to do. Consequently, the A-6 fell out of the budget with the recognition that we would like that capability continued; but with the anticipated cost of the A-12, something had to go.

We took the risk that the A-12 would come in on time and that the shortages of the A-6 were something we could live with. That was the decision. If you had the money to do it, it makes a lot of sense to continue to build an A-6 type airplane until the A-12 is flying and doing well.

As a CINC, I certainly would like to know that in the future we were going to have sufficient medium attack aircraft to do the job. The A-12 will do it. The question is your assumption as to whether it will deliver on time.

The A-6 has been looked at in several versions. The current version is the E. They were talking about an F version at one time, and Grumman had worked on an F and G version.

Mr. **McDade**. I understand the budget constraints. We may get to a point where we see this other airplane is a real problem and it will be long after you have gone back to Norfolk.

The A-6, would it have to be upgraded? And what would you buy—which version are you talking about? That is important if we find out we have some money.

Admiral **Kelso**. I think the idea of upgrading the A-6 was in recognition that electronics has improved in the world today and the older A-6 is expensive to maintain. By going to some modern reliability and maintainability technologies that are available in other airplanes today, you could greatly reduce the mean-time between failure. So if you are going to continue to build that airframe, it would make sense to upgrade the electronics and those areas in which you can reduce the mean-time between failures.

SPARE PARTS

Mr. **Murtha**. Are you running into any problem with spare parts in the fleet?

Admiral **Kelso**. No, sir. Well, I don't say zero problems. There are always some problems, but in reality the spare parts situation is pretty good.

There is a lot of lead time today, and the spares we funded two to three years ago was very well funded, and the bins are pretty good today.

If we start reducing the O&M and procurement budgets, we will start running into shortages. But today they are in pretty good shape.

STRATEGIC SEALIFT

Mr. MURTHA. This committee started funding big amounts of money for spare parts years ago. We don't want that to start drying up because we know how difficult it is to operate when you don't have the spares. It makes an impossible condition for you.

Break bulk cargo versus containerization: The Marine Corps is always trying to work it out so they have more break bulk cargo ships. Where are we with that argument? Do we have those in peacetime? Can we get them in wartime?

Admiral KELSO. There are not many break bulk cargo ships anymore. We have some we purchased and are in our reserve fleet, but there are not many actually operating in the world. It is more economical to operate container ships where you can put the container on, go across the Atlantic, unload it, and have a truck pick it up.

A great number of ships built in modern days are roll-on, roll-off ships, or container ships, which are not very productive at moving things like tanks and ammunition. If you put all the tanks on top of ships, it doesn't function very well. It has to be loaded in such a way that the ship floats.

We have bought some ships that will alleviate that problem, but we are probably going to be short of break bulk ships due to their lack of use worldwide. A lot of coal and similar items are moved by break bulk ships, but much of the world's manufactured goods is moved by roll-on, roll-off type ships.

Mr. MURTHA. Intelligence-wise, do you see the Russians slowing down any of the defense money that they are spending there? Is there less activity with this new party line that Gorbachev is talking about? How much better it is? Is he slowing down the money, and are things getting better there?

Admiral KELSO. I don't think there is any substantial change that we noticed at the present time, but I haven't asked that question of my intelligence people recently. I will take that for the record.

[The information follows:]

———. Although this merchant shipping may not be as flexible and responsive as dedicated naval auxiliaries, the Soviets have frequently demonstrated their ability to subordinate merchant shipping to military requirements and can probably count on it as an economical solution to their lift problems.

The major reason for the continued merchant construction, however, is probably economic rather than military; the merchant fleet is a major earner of hard currency for the Soviet economy. Under these circumstances, the effect of perestroika is likely to be for the Soviets to devote more, not less, effort to their merchant fleet.

Admiral KELSO. Certainly he hasn't stopped supplying commodities like oil to Castro. We have not seen a cutoff of things going into Nicaragua or anything that would tell you they aren't going to continue in the same direction they have been going.

There was the scheduled trip of Mr. Gorbachev in December during which he went home when they had the earthquake rather than go to Cuba. We were waiting to see whether he was going to try to get a change in that part of the world or tell Mr. Castro, "I'm tired of buying your sugar at $10 when it is 4 cents a pound on the open market."

I think that visit has been rescheduled for some time this year, so we will just have to wait and see what happens as a result of that.

We haven't seen any fundamental changes to their support to Nicaragua or the several billion dollars that they are providing annually to Cuba.

If I have given you a false impression, I will answer that for the record.

SOVIET MILITARY ACTIVITIES

Mr. **MURTHA**. Is there any change in Russian military activity in your area of responsibilities?

Admiral **KELSO**. No. Russian military activity in my area has increased in the last couple of years. There is a new Kiev carrier, Kirov cruiser and a new generation of Backfire bombers; so the capability has basically improved in the Atlantic, not decreased over the period of time when we have been hearing about perestroika and glasnost.

STEAMING HOURS

Mr. **MURTHA**. Have your steaming hours been slowed down? We were in the Mediterranean maybe six months ago, they said, "We are now getting more steaming time," and I keep hearing less steaming time for the ships that are back here off the coast of the United States versus the ones that are forward deployed. Is that accurate?

Admiral **KELSO**. Yes, sir. But we plan on that.

Mr. **MURTHA**. So this is not something that affects readiness?

Admiral **KELSO**. No. For example, we normally budget for a ship that is deployed a specific number of days steaming a quarter. If for some contingency reason, like in the Persian Gulf, they had to steam more than we planned for, then our choice is to fund it out of hide at home.

Occasionally you will have to reduce the training at home because you are spending more in other areas of the world. I don't think in the last few years that it has been a change of great significance. We have had to move money around a little bit, but it has been reasonable.

You might find a sailor that wants to sail more who is unhappy about it, but our overall evaluation is that it has been a reasonable tradeoff——

Mr. **MURTHA**. You have not had to cut back in steaming or flying hours to the point where it affects your readiness?

Admiral **KELSO**. No, sir.

TRANSFER OF BOMBER AIRCRAFT TO NAVY

Mr. **WILSON**. I am Charlie Wilson. You were a pretty good guy at the Naval Academy, but I never thought you would get all those stripes.

I have an off-the-wall question. You were talking about the Backfire bombers and I have just noted that the Soviets have always attached a certain number of their really long-range bombers to their navy.

Has it ever been a consideration that after the stealths come on line that we might transfer some of the B-1's to our Navy?

Admiral Kelso. I have not heard of anybody considering that. I suspect though it would generate interesting discussions.

Mr. Wilson. But if they were being used for ASW purposes and things like that, it would seem to have merit, but so many Air Force people would probably commit suicide——

Admiral Kelso. B-1's don't have an ASW capability.

Mr. Wilson. How about attacking surface ships?

Admiral Kelso. The B-52 has an ancillary mission to attack surface ships, with Harpoon missiles. So I would anticipate that if the time comes and we had enough airplanes to support that mission, the Air Force would be perfectly happy to support us in an anti-shipping role at sea, and we would welcome the help.

MARITIME STRATEGY IN ATLANTIC

Mr. Wilson. In the Atlantic, do we still have the "fight forward" strategy that was a little bit controversial a couple of years ago?

Admiral Kelso. Yes, sir. The strategy in the Atlantic is basically the same as it has been since 1968, when the NATO nations agreed to the strategy that we would move forward to the proper position to use our forces, hopefully to deter conflict; but in a position to fight.

Some people didn't believe that, and argued about going into the Norwegian Sea. We won't give up NATO territory and the only forces available to support that part of the world are SACLANT and NATO allies.

So as we have a forward strategy on the ground in Europe, we have a forward strategy at sea to hold NATO territory and to hold the northern Atlantic. ———.

The strategy hasn't changed much during the time I have been in uniform. It gets publicized from time to time in different ways.

Mr. Wilson. That is all I have.

Mr. Murtha. Mr. Hefner?

Mr. Hefner. No questions.

Mr. Murtha. Mr. McDade.

POTENTIAL READINESS REDUCTIONS

Mr. McDade. Admiral, there are some voices, important voices in Washington saying that the way to go might be to cut back on readiness, that in this budget constraining time, cutting readiness is the only way to insure that we are going to have the money to do the long-term R&D and the rest of the things that we constantly need to do.

What is your reaction to that kind of a judgment?

Admiral Kelso. I am certainly opposed to cutting readiness. And I will tell you why. Most of my forces are at sea in Atlantic Command, but I also have Air Force forces in Iceland like F-15 squadrons and AWACS airplanes, and their job is to make sure that we know what is going on in the air in that part of the world.

I have young pilots flying every day. I can't see how I can cut their readiness.

The Persian Gulf is a perfect example of why we can't cut readiness. We wouldn't have had the time to instantly train everybody. If we didn't have a force trained and ready to go, we would have had to say, "six months from now, we can do that job for you."

We have a pretty healthy situation in the Armed Forces of the United States today in that most of the young people who have joined up in the past few years feel pretty good about what they are doing. The American people have told them that.

They are not going to be very happy in an outfit that is not ready to do its job. I think you will find a hemorrhage of talent if you cut readiness.

My fundamental problem is that I don't think—we are asked to go and do things in the world in places that are dangerous. I don't think we can afford to do it without being ready to do the job. We will not send them if they are not ready. Fundamentally, we have to keep the forces we have ready.

Mr. **McDade**. We have been very supportive of that in this committee. There are people saying we can cut back the operational tempo of the Navy and begin to reduce steaming hours and begin to build an account that is going to let us do the R&D and the procurement. You don't share that view?

Admiral **Kelso**. No, sir.

FUNDING PRIORITIES

Mr. **McDade**. What national long-term security needs do we need to get funded in fiscal year 1990 from your point of view? Admiral, I think I have a pretty good idea what you are going to say. I would appreciate you elaborating on that question for the record.

[The information follows:]

The most significant long-term national security needs, from a USCINCLANT point of view, are:

Modernization of strategic offensive forces and supporting C3.

Continued improvements and Research and Development to maintain ASW advantage.

Adequate stocks of preferred munitions and other WRM stocks.

Improved surveillance and I&W capabilities.

Modernization of conventional forces and supporting survivable, secure, anti-jam C3.

Maintenance of ready maritime Force structure at least at current levels to permit protection of reinforcement, resupply and sustaining shipping. Current levels in my opinion put this task at considerable risk.

Airlift/Sealift to support our global strategy.

Mr. **Murtha**. Could we do without a battle group, an aircraft carrier battle group out there?

Admiral **Kelso**. No, sir. I need everyone we have today, because with the commitments we have, we use them all. There are not any of them sitting idle. We schedule them and they are used. We try to support a deployment system today where our young people are not away from their homeport more than 50 percent of the time and if they are gone for six months, we don't deploy them again for 12 months.

We are about at the ragged edge of making that happen today with the reductions we have had, so any reduction will be taken out of the hide of the American sailor.

Mr. **Murtha**. Mr. Dicks.

PATROL HYDROFOIL MISSILE SHIPS

Mr. Dicks. You indicate that drug surveillance operations in your area of responsibility will be operated out of Key West, Florida. What resources and assets will be used in this effort?

Admiral Kelso. We intend to use Coast Guard assets, Navy assets, etc. We will coordinate with the Customs Service to use their assets and also coordinate with DEA to use what assets they have. The last Congress gave DOD the mission of drug surveillance, and we are gearing up to start that.

Mr. Dicks. Will you be using your patrol hydrofoil missile ships?

Admiral Kelso. Yes, sir. We are using those today part of the time for that mission.

Mr. Dicks. What else do you use them for?

Admiral Kelso. Training to perform their combat missions.

SEA LANCE ASW WEAPON

Mr. Dicks. On the question of ASW upgrades, what operational advantages will the acquisition of SEA LANCE provide in your area of responsibility?

Admiral Kelso. ———. So, in essence we need an improved capability to deal with their double-hulled submarines.

Mr. Dicks. It can be used both on submarines and surface ships?

Admiral Kelso. Yes.

Mr. Dicks. And that is a great advantage to the Navy?

Admiral Kelso. Yes, it is.

ASSESSMENT OF CURRENT CAPABILITIES

Mr. Dicks. In your review of the Atlantic Command Force structure, what is your assessment of the capability of the weapons systems you are receiving and the forces on hand?

Admiral Kelso. I think the weapons systems we are receiving are good for the most part. I am not going to say we don't have problems with our new systems, but for the most part, they are excellent. We are able to maintain them with the young people we have today; most of my ships are ready to sail.

I would not like to see us reduce our forces. Our forces are adequate for the job we are tasked to do. If you look at a conflict where we had to deal with the Warsaw Pact and the Soviet Union, and review our capability to reinforce and resupply Europe compared with western maritime power available in 1938, the risk is higher today than it was then, and the German submarine force almost stopped reinforcement in the 1940s.

There is some risk, but it is nevertheless a pretty substantial force, and I think we can do the job.

Mr. Murtha. You said the risk is more today?

Admiral Kelso. I think on balance there is higher risk today with 150 Soviet submarines able to interrupt the SLOC's than it was during World War II when we had the preponderance of power in the West and the Germans had 13 submarines operating in the Atlantic; they almost stopped us during that period.

Mr. Murtha. Are you concerned about our strategy of bottling up these Soviet attack submarines?

Admiral KELSO. I am not concerned. I believe it is the only way to do the job.

Mr. MURTHA. Can we do it?

Admiral KELSO. I believe we can if we continue to keep the size force we have and maintain our technology edge.

PERSONNEL ISSUES

Mr. MURTHA. How many military and civilian personnel are assigned to your command?

Admiral KELSO. I would estimate around 250,000 to 300,000.

Mr. MURTHA. What would be the effect on your mission if personnel strength is reduced? You are telling us, I think, that if you had personnel reductions, this would affect your ability to carry forward your mission responsibility?

Admiral KELSO. Yes, I think it would, because most of my area is water, and that over the past several years we have basically manned a growing Navy. We have not seen the end strength authorizations that we have asked for over that period of time to man those ships, so we have basically taken it out of the shore side of the house. If you tell us to cut more, we are going to try to exempt the sea side of the house. In actuality you are cutting into the muscle, not much fat.

Mr. MURTHA. I am not sure this is a fair question, but in your view, what would be preferable, if Gramm-Rudman-Hollings sequestration is triggered, to exempt or not exempt the military personnel cap?

Admiral KELSO. That is a very difficult question because I don't know what the alternatives are. My number one priority is people, because I think our readiness today is more dependent on our people than any other one thing. The major reason for the improvements we have seen in the 1980s, has been the desire and the attitudes of our young people. If we cut that away, I think the others will fall behind with it. Don't cut the people, don't cut their benefits.

HEALTH CARE

Mr. MURTHA. When your counterpart in the Pacific was here, we asked him about something that I am deeply concerned about, the quality of health care that we are providing to our sailors and our dependents. I have got a Navy military hospital in my district; it is under-staffed. We are putting these people out to CHAMPUS, which is more expensive. I know the Navy is reconsidering its view on this.

When the tough decisions were made, didn't the shore side get cut, including health personnel?

Admiral KELSO. I think you will find that is not true; we protected the health side of the house.

Mr. MURTHA. It was under-staffed in the first place.

Admiral KELSO. Yes, but we have added to health care over the last few years; but not enough, in my judgment.

Mr. MURTHA. How do you feel about it? You have these sailors that are your responsibility. We hear that they are dissatisfied with the quality of health care that is being provided to them and their dependents.

Admiral KELSO. I think that is a fair statement. I would like to phrase it a little differently, because I hear it a little differently. It is not the quality of care, I think, that is the issue; it is the access to it. Our servicemen are not worried that, if the wife goes into a hospital, she is going to get medical care that will be detrimental to her health.

The general issue is not the active duty, their access to the care is pretty good. Their dependents and our retired personnel are all very unhappy with their access to Navy medical care. As you correctly stated, to send a patient to CHAMPUS in the areas where I live, Norfolk, is about twice as expensive as a military hospital, so the cost of CHAMPUS continues to soar.

You bring up a very tough issue for the Navy. How do we solve those problems—we have been trying, and as the chairman mentioned, over the last six months or so we have put a panel together to try to come to grips with some of the issues. Some of the issues I think are fixable. Some are problems as to whether we need more physicians than we are currently authorized. The population has grown over the years from when the numbers of authorized physicians were fixed.

I think it is probably the number one issue as far as questions that young people and retired people ask me. The retired community, as a whole feels they have lost the benefits that they thought were guaranteed to them.

I think it is a substantial problem and one that we need to work very hard to fix, and I hope that as we come up with reasonable solutions that you will help us fix them.

Mr. DICKS. We will have to work on this one together. You hit on something that is very sensitive in my area. I have a lot of retirees. They really do feel that they have been had and they are very upset about it.

I think that has an effect on the people who are currently serving in the military.

They say, "Are you going to keep your commitments or not?"

The problem is this is a national problem. We have a shortage of health care personnel, so it is kind of you rob Peter to pay Paul situation.

In my area, they have had this idea of contracting out and bringing people in. Then you get a two-tier situation where your people who have been in the service get second rate treatment compared to contractors that you bring in or other professional personnel. That doesn't seem to solve it.

It seems to me we have to do a better job of providing for people who are serving in the military and try to do a better job recruiting.

I think we should potentially exempt from all these personnel allocations and ceilings the health care area somehow so we can properly staff that.

I think that will save money assuming we can get the people.

We are winding up here with a very inefficient system. What about these user fees? Are your people excited about paying user fees?

Admiral **Kelso**. There is no question they will be very unhappy to pay user fees.

Mr. **Dicks**. Is this for everybody?

Admiral **Kelso**. Everybody, I believe. I believe it is any dependent or any retiree who walks into a military health care facility that will pay a certain surcharge for being seen in that facility.

Mr. **Murtha**. That came from Pentagon. It didn't come from the Congress. Congress prohibited that before, so we want to make sure you understand that.

Admiral **Kelso**. I think it would be about as unpopular a move as you could make as far as medical issues are concerned.

I think from the retired community's standpoint, you would hear a great outcry, and also in active duty and dependents as well.

OTHER PERSONNEL ISSUES

Mr. **Dicks**. Any other personnel issues that we need to know about that are of significance?

Admiral **Kelso**. Well, I think we always need your support in those areas where we have trouble with skilled personnel, and you, over the years, have been very helpful giving us targeted enlistment bonus authorities and programs like that. Those sorts of things are very important.

Mr. **Dicks**. Pilots are a problem?

Admiral **Kelso**. Pilots will be a problem as long as I wear a uniform because the airlines are no longer hiring cyclically. They hire continually and, therefore, we will have a continual problem of retaining bright young people to fly airplanes.

Submarine officers have traditionally been a problem and still are.

Skilled electronic technicians, data technicans, people who know how to operate computers and have skills that industry needs are difficult for us to retain, and we need your support for those targeted bonuses.

ADVANCED SUBMARINE TECHNOLOGY PROGRAM

Mr. **Dicks**. One thing that I noticed in President Reagan's budget is that he zeroed out the funding, or Secretary Taft did, for the Advanced Submarine Technology Program managed by DARPA.

I know that was controversial in the Navy; at least it was with Admiral McKee and others who talked to me about it.

Should we be having DARPA do this advanced technology? This has been a congressional initiative, one that I haven't agreed with. I thought the Navy could do research on advanced submarines. Apparently something was worked out with DARPA by Admiral DeMars before he switched hats and it isn't as much of a concern as it was then.

How do you feel about it?

Admiral **Kelso**. I do believe that it is important, as I answered to Mr. McDade earlier. He asked me a question about their submarine capability versus our capability and did I think that had changed. I said I thought there had been a significant change in the quietness of the Soviet submarine force.

They have built six submarine classes since we have built the *Ohio* class, and they are proceeding with new submarine technology at a great rate. It is a race, and if we stop the technology race, we are going to lose.

We are a little ahead today, but they are running hard, we just don't continue to work that problem. There has to be research and development in ASW and submarine technology or we are going to be in a position we are not going to like.

Mr. DICKS. I think that is all I have.

Mr. MURTHA. Mr. Wilson?

STATUS OF CARRIER BATTLE GROUPS

Mr. WILSON. Frank, how many carrier groups do you have deployed?

Admiral KELSO. What do you mean by deployed? Out of port?

Mr. WILSON. Yes.

Admiral KELSO. Three are out of port today.

Mr. WILSON. How many are in the Mediterranean?

Admiral KELSO. One in the Mediterranean on a continuous basis. There is one in the Mediterranean, one in the Indian Ocean, and two in the Western Pacific on a continuous basis.

The *Midway* is home ported in Japan.

SEAWOLF SUBMARINE

Mr. WILSON. I guess you probably feel pretty strongly about the *Seawolf* necessity?

Admiral KELSO. Yes, sir. I believe we have to build a new submarine because, if we don't, we will lose the technology race and the capability to build a new submarine.

Our people know how to design one; so I think you have to proceed or you have lost.

PERSIAN GULF LESSONS LEARNED

Mr. WILSON. I am asking some general things, Mr. Chairman.

Has the Persian Gulf experience caused us to rethink anything about armament or frigates and things like that?

Admiral KELSO. Yes, I think we have looked very hard at our frigates and ships we had out there and the types of armament they had on them.

What I think we learned was that there are some things we may have to do in special situations; but in general, for the most part, the ships we had out there were perfectly adequate to do what we had to do.

We put 25-millimeter Bushmaster cannons on our ships. We used Army helos off our frigates because they had some particular capabilities that were of use to us out there, and they did a fine job. But in general, the ships were able to take care of themselves pretty well.

We had a problem with the *Stark*, and the *Roberts* got hit by a mine.

We found if you get shot by an Exocet from ten miles and you don't see it coming, it is a tough problem; but I don't think anything we do is going to change that.

On tests that we have run since then, we found that training has improved tremendously; so we learned a lot from it.

I don't think we have found anything from the Persian Gulf that says anything dramatic has to be done.

I agree that we needed more mine-sweeping. The minesweepers we had were perfectly adequate and we got them out there to do the job.

We didn't know how to do levitation. It is 10,000 miles to the Persian Gulf and they worked as soon as we got them there. I think we learned a lot about our ships we wouldn't have learned otherwise, but I don't think the lesson says go build something else.

Mr. **MURTHA**. How many mines did they find?

Admiral **KELSO**. I don't know, sir.

Mr. **MURTHA**. One of the things I found out, Mr. Wilson is a proponent of better armament—not necessarily getting away from the missiles, he wants more guns on some of these frigates and so forth.

There were always concerns about this possibility in the Persian Gulf area. The commanders that I talked to were concerned about a suicide attack by a small boat. Do we have adequate protection against that kind of attack?

Admiral **KELSO**. I think we could stop a small boat. That was one of the reasons for having a 25-millimeter cannon installed on that ship. I am a proponent of "You don't fight a small boat with a small boat." We ought to stay above that and do it with something tougher than that. You don't normally have small boats running at you, and I think our ships showed they can handle that threat.

Mr. **WILSON**. Did you have to fly those 25 millimeters out there?

Admiral **KELSO**. We put them on before they left and also transferred some out there.

Mr. **WILSON**. Did you have them?

Admiral **KELSO**. They were available in the U.S. arsenal.

Mr. **WILSON**. Do you remember what kind of guns those were?

Admiral **KELSO**. Twenty-five-millimeter chain guns, but I am not sure who makes them.

EA-6B PROGRAM

Mr. **DICKS**. Will the gentleman yield?

The Fiscal Year 1990 budget terminates EA-6B procurement and starts a program to remanufacture existing aircraft to the advanced capability configuration.

I understand this decision was the result of the Defense Resources Board recommendations last July or August.

Is that correct?

Admiral **KELSO**. Yes, sir. I believe it was.

Mr. **DICKS**. Do you agree with the Defense Resources Board that additional aircraft are not required and that a remanufacture program will provide the fleet with the aircraft required to fulfill its mission?

Admiral **KELSO**. Yes, sir. We looked at that and feel that it is a reasonable decision.

A-6 PROGRAM

Mr. DICKS. What is your view on the A-6, what you are doing about that?

Admiral KELSO. As I told the chairman, that was a decision that had to be made because of money that wasn't available, and I don't know exactly what the tradeoffs were.

I personally have supported the A-6 program, and so did my predecessor. My support comes from the fact that the A-12 is a very new airplane.

We are losing the capability if the A-12 should slip and that is not a very comfortable position to be in.

Mr. DICKS. Aren't we short of A-6s now?

Admiral KELSO. If you take a cookie cutter and say, "This is what I have to have on deck", you could make a case for A-6s, yes sir. There is a small shortage of A-6s, but if you look at the total A-6 inventory that exists between the Navy and the Marine Corps and the ability to man the carriers, I think the right numbers are there.

Mr. DICKS. For the record, how many A-6's do we lose each year?

Admiral KELSO. I would have to answer that for the record.

[The information follows:]

For the years FY 1980 through FY 1988 inclusive, 51 aircraft were "lost" to wing fatigue life, a rate of 5.7 per year. Most, if not all, will be returned to the fleet with completion of the wing upgrade.

In this same period (FY 1980 through FY 1988), 48 A-6 strike mishaps occurred, a rate of 5.3 strikes per year.

Following one of the lowest mishap rates ever (FY 1988), current projection is that six A-6s per year will be "lost" to fatigue and mishaps combined.

Mr. DICKS. So you are nervous about this decision, but obviously you are supporting it.

Admiral KELSO. If I had a choice and all the money in the world, I wouldn't close the line. I don't know whether I would disagree with what they put the money toward otherwise; that is my point. Somebody has to make that decision.

Mr. DICKS. Okay.

Mr. MURTHA. Would you mind using the A-6s in the environment now in the Middle East?

Admiral KELSO. Well, that is a pretty tough question to answer.

I think there are environments I would not like to fly the A-6 in without doing some defense suppression beforehand, Mr. Chairman.

You know, we built missiles like HARM to do that sort of thing, and I think you might find a scenario where the defenses are so tough you would want to exercise HARM before you use the A-6.

I don't know of any airplanes you would want to fly into that environment.

There are those on the horizon that could go in without suppression, but I think you have to look specifically at the target in question.

Mr. MURTHA. From the practical standpoint, we can get by with the A-6 now as it is configured.

Admiral KELSO. Yes. For many targets there may be some that you would prefer not to use the A-6 against. But it is a very capable airplane and it is the only attack airplane with longrange, all-weather and night capabilities.

So we have that capability.

Mr. MURTHA. Mr. Wilson?

Mr. WILSON. Frankly, I gather you think the HARM is fulfilling its mission?

Admiral KELSO. Well, the best example is the Libyan raid. We used it extensively in the Libyan raid, and the attrition was not bad.

Mr. WILSON. If the President had decided on the Libyan raid that he didn't want to or for some reason Mrs. Thatcher denied us permission to use the F-111 aircrafts; could you have done that same job with cruise missiles?

Admiral KELSO. ———.

Mr. WILSON. ———.

Admiral KELSO. ———.

Mr. WILSON. You just didn't have them?

Admiral KELSO. We didn't have them available.

Mr. WILSON. Are they available today?

Admiral KELSO. They are available today, yes.

Mr. WILSON. Would you have as much confidence in an attack with what is out there today—with the cruise missiles—as you would with the F-111?

Admiral KELSO. Yes, I believe the cruise missile could do the job accurately.

Mr. WILSON. Might even be better?

Admiral KELSO. Might be better, but remember, a cruise missile has only a 500-pound bomb.

Mr. WILSON. What do they drop?

Admiral KELSO. They were dropping 2,000-pound bombs. So you are dealing with a different kind of armament. It would take more weapons to do the same damage if you assume the same accuracy.

Mr. WILSON. They probably have a better accuracy though.

Admiral KELSO. I think you would get an argument with some. Others would agree with you.

Mr. WILSON. Next time we decide to do something like that, I hope the next President considers cruise missiles because we would like to see whether they work or not.

MINE WARFARE

Mr. DICKS. I have a question. if you would yield.

Admiral, what is your capability to conduct mine warfare, and is it adequate to meet requirements?

Admiral KELSO. There are some places we don't have adequate capability of mine warfare in my opinion. We have acknowledged over the years that our allies would provide much of the mine countermeasures capability, and particularly from a NATO scenario; and we have looked at buying minesweepers to keep our coastal waters open in case of a war.

That is basically what our plans are based on.

The first of fourteen Avenger MCM ships has been delivered, production of seventeen smaller mine-hunting ships will soon add to our capability. ———.

Nobody has the capability to do that. That is something we need to pay more attention to in the future.

So it is an area where we need to continue to work to improve the capability we have and to deliver those ships that we are building.

We also have put basically all of our mine-hunting ships in the Reserves and found that in the case of the Persian Gulf, that that was perhaps not such a good idea.

Not that I have a problem with the Reserves operating them, but if you need them quickly in some Third World problem, as in the Persian Gulf, you may not have time to find crews for them immediately.

Mr. DICKS. Do you have adequate capability to conduct required mining operations in medium-depth waters?

Admiral KELSO. I will provide that for the record.

Mr. DICKS. What mine inventory do we have to mine offensive operations, not defensive operations?

Admiral KELSO. Offensive operations?

Mr. DICKS. Yes.

Do we have any capability to mine?

Admiral KELSO. We have the capability to put kits on most of our MK-80 series bombs and use them as mines.

The MK-80 series bomb is decreasing in number as we train with them.

We have Captor. We have SLMM. We do not have a robust mining capability if you consider the Soviet capability—the number of mines we feel they have.

But we do have enough mines to lay significant numbers.

Mr. DICKS. What impact does the termination of the Advanced Sea Mine program have on our ability to improve the situation?

Admiral KELSO. Until we do something other than Advanced Sea Mine programs, we don't have anything else coming along.

The Advanced Sea Mine program was a combined program with us and the British. The British pulled out of it and we dropped it from the fiscal year 1990 budget.

Mr. DICKS. I will ask the last two questions, if I may, for the record.

[CLERK'S NOTE.—Questions submitted by Mr. Dicks and the answers thereto follows:]

Question. Do you have adequate capability to conduct required mining operations in medium-depth waters? What impact does the termination of the Advanced Sea Mine program have on our ability to improve this situation? What percentage of your planned minefields are considered of medium-depth?

Answer. ———.

Question. Is our capability in mine coutermeasures adequate to requirements today, and if not, what are the most critical improvements needed?

Answer. Insufficient numbers of mine countermeasure ships presently exist. The introduction of the first of fourteen MCM-1 AVENGER class mine countermeasure ships and the production of seventeen MHC-51 OSPREY class coastal minesweepers will greatly improve our position-fixing and hovering capabilities. Additionally the Navy is pressing ahead with a new generation of MH-53E

Super Dragon helicopters which will improve our deep water mine clearance capability.

[CLERK'S NOTE.—End of questions submitted by Mr. Dicks.]

SEALIFT

Mr. DICKS. You mentioned it; we had the CINC Transportation Command up here the other day, General Cassidy.

Admiral KELSO. Yes, sir.

Mr. DICKS. I assume you must work with him?

Admiral KELSO. Yes.

Mr. DICKS. On the sealift question?

Admiral KELSO. Yes.

Mr. DICKS. I just was curious. We seem to be putting all our resources—and I am a supporter of the C17 and have advocated it for years—but that is a $38 billion slice to deal with ten percent of the requirement of the problem, which is airlift.

What I worry about is we are doing enough in my mind about the 90 percent which is sealift.

I just wonder from your perspective, I can't help but think you must not be very satisified with that breakout in allocation of present resources.

Admiral KELSO. Well, I think it is not a simple tradeoff of one with the other. You can't support SACEUR or the Central European scenario without both.

The timeliness of airlift is vital, without the ability to move troops rapidly forward we have no need to reinforce and resupply.

So we have to have the airlift as well as the sealift. I don't know of any alternatives to building the airlift ourselves. It doesn't exist anywhere else other than in the Transportation Command or the Military Airlift Command, which have the capability to move things by air, at least something that we can depend on.

Sealift is a tough problem. It lends itself to different solutions if we make political decisions in time.

Our allies do have a lot of bottoms which we can use to move goods from the East Coast of the United States to their shores, if necessary; and, in fact, we plan to use a great number of them; without them we could not resupply and reinforce Europe.

So I think there are two different problems. We could not, I think, afford to buy enough ships, set them up and keep the crews trained—you know, it would provide a national insurance policy, but at great cost.

The airplanes, however, are used on a real-time basis anyway.

So I think it is a little different problem, but both are serious problems.

Mr. DICKS. How comfortable are you with depending on foreign bottoms for this sealift support?

Admiral KELSO. I an not as comfortable as I would be if they were owned by Americans and flagged by Americans and cared for by American crews. But I am in a position where there isn't much choice but to depend upon them.

It has gotten to the point where half the ships we plan to use in that kind of scenario are provided by our allies today; and it is a come-and-get-it-and-take-it-there game where we see it changing, sir.

Mr. DICKS. We have identified those ships.

Admiral KELSO. Yes, we have, and in many cases, we know what they are.

What we don't know is where the ship is going to be when you need it, how long it will take to get it there, and whether the owner will be willing to let you have it until the political decision is made to direct its availability.

Those are the tough issues because you must remember it is the owner's livelihood we are dealing with may not be willing to give up a ship just because you think something may happen.

Mr. DICKS. We have situations, too, where it isn't just foreign-owned, but we have ships that are foreign-flagged.

Admiral KELSO. Yes, and foreign-crewed.

Mr. DICKS. But owned by the United States?

Admiral KELSO. Yes.

We could if we wanted to, and today there are still just barely enough merchant seamen in this country to man those ships if we wanted to.

Mr. DICKS. Are those ships identified as well?

Admiral KELSO. We know who they are. I don't think that they are identified. It might take a legislative decision or a presidential proclamation, I am not sure, to get them; but we know where the ships are and who they are.

Mr. DICKS. Are we doing a major exercise this year, is it, to test out this whole scenario, sealift?

Admiral KELSO. REFORGER. I am not sure how REFORGER was going to be done this year, but I believe it has been cancelled. It was primarily cancelled as a result of—you may have seen this in the papers—the great deal of public opinion in Germany about the size of exercises.

So I think that we probably won't take near the numbers that we normally take on REFORGER this year.

Mr. DICKS. Are you satisfied with the level of training or the level of exercises dealing with the sealift issue by itself? Are we doing enough there?

Admiral KELSO. I think we know how to do that. We know how to load ships. We have a very good organization in the Reserves.

My responsibility is to provide the protection for the shipping and get it to the ports in Europe or wherever it is going to go rather than procure the ships.

But I think we know how to do that. I am not sure—I think General Cassidy would agree that we have a lot of work to do in planning how I get the material from warehouse A or wherever, to the right port on the right ship to the right place over there.

One of the reasons we put the Transportation Command together was to put that responsibility in one place, to get that job done.

So I think we have a lot of work to do there.

Mr. WILSON. Mr. Chairman. ———?

Admiral KELSO. ———.

Mr. WILSON. Yes, sir.

I am curious if you know anything about the capability—the nice thing about it is you just put it on an old tugboat or something and go with it. At one time, your predecessor was talking about warehousing some. This is provision-minded.

Admiral **Kelso**. ———.

Mr. **Wilson**. But you don't know what the result was?

Admiral **Kelso**. I don't know what the result was.

Mr. **Wilson**. I will find out.

Admiral **Kelso**. ———.

Mr. **Wilson**. There were one or two of them and I think they were real cost effective.

Admiral **Kelso**. Right.

Mr. **Wilson**. They are built in Dallas.

Admiral **Kelso**. I don't know what the outcome was of that.

Mr. **Wilson**. Thank you.

Mr. **Hefner**. Small business?

Mr. **Wilson**. Small minority business. The President's former district.

Mr. **Hefner**. Ready to order?

Mr. **Murtha**. We have some questions for the record, and Mr. Miller and Mr. Livingston have some questions for the record also.

Thank you very much, Admiral Kelso. We appreciate your coming up.

The committee will adjourn until Thursday at 1:30 p.m.

[**Clerk's note**.—Questions submitted by Mr. Miller and the answers thereto follow:]

VERTICAL LAUNCH ASROC

Question. In your prepared remarks, you state that your "top warfighting priority is to maintain our anti-submarine warfare capability in the face of the rapidly improving quality of the Soviet submarine threat." In last week's hearing, Admiral Hardisty assigned ASW an equally high priority within his command—and I asked him some questions about our vertical launch capable ships. I would like to put these questions to you as well, but I would like to preface my questions by saying that I support the Sea Lance program fully and that I want to see it come into the fleet as soon as possible. I believe that I may have given the incorrect impression last week that I favored Vertical Launch ASROC (VLA) instead of Sea Lance. Obviously, Sea Lance represents the future in vertical launch weaponry. First, can you tell us how many vertical launch capable ships you have that do not have vertical launch weapons?

What percent are deficient?

Looking into the near future, of the vertical launch capable ships that you are due to receive in the next two years, how many will not have the necessary vertical launch weapons?

Given that ASW is your #1 warfighting priority, do you think that the action taken by this committee last year to buy 300 Vertical Launch ASROCs (VLA) is sufficient?

Finally, do you think more VLAs are necessary to fill the gap until the Sea Lance is ready for deployment?

Answer. There are four vertical launch capable ships presently operational in the Atlantic Command including three AEGIS cruisers and one Spruance class destroyer, all of which lack VLA. Six additional ships, including the first DDG 51, *Arleigh Burke*, will be delivered over the next two years. VLA will serve as an interim weapon system while waiting for the introduction of Sea Lance in 1993. The 300 weapons will provide a nominal ship fill of five weapons for each ship. Providing the Sea Lance program remains on track, 300 weapons will be sufficient. Certainly the five missiles for each unit are not optimum. The VLS AEGIS cruisers require 10 ASW standoff weapons, the VLS DD 963 requires 24 and the DDG 51 will require 14. If Sea Lance development is slowed, or the anticipated numbers expected to be bought are reduced, additional interim weapons will be needed. As the DDG 51 class is introduced, there is an increased need for this capability as this class does not have an organic helicopter. DDG 54 will be fitted with Sea Lance interface and not be VLA capable.

[CLERK'S NOTE.—End of questions submitted by Mr. Miller. Questions submitted by Mr. Livingston and the answers thereto follow:]

LANDING CRAFT AIR CUSHION (LCAC)

Question. Admiral Kelso, last year the Navy requested 12 LCACs and, based on successful operational tests, this Subcommittee provided funds for 15 craft. Admiral, how many craft do you have under your Command?

Answer. Six LCACs are presently assigned to USCINCLANT. The seventh will deliver this April. Four are scheduled for delivery in FY-90 with an additional six per year until we reach a force level of 45.

Question. Could you briefly describe the LCACs operational effectiveness?

Answer. Based on OCEAN VENTURE 88 data, LCAC adequately demonstrated its capability to rapidly load/offload, and carry USMC equipment and cargo. During the reinforcement phase of OCEAN VENTURE 88, LCAC were utilized to transport MPS/MEB serials from Roosevelt Roads to Vieques Island, a transit distance of 34 miles. Approximately 50 serials were lifted for reinforcement and redeployment to Roosevelt Roads.

Question. How many LCAC deployments have there been to date?

Answer. In addition to OCEAN VENTURE 88, three LCACs are currently performing the first six-month deployment to the Mediterranean.

Question. What type of operational readiness rates have you experienced to date?

Answer. The LCAC units assigned to USCINCLANT have been in the C-1/C-2 readiness category approximately 85% of the time since their 1 Jan 88 Atlantic Fleet implementation.

Total hours of operation for LCAC follows: LCAC 7, 849.6; LCAC 8, 485.1; LCAC 9, 579.8; LCAC 10, 492.8; LCAC 11, 480.8; LCAC 12, 442.7.

Top two problem areas are: (1) Navigation System—Data Converter Unit, Attitude and Heading Reference, and (2) Craft Control Systems—Propeller Pitch Controls, Steering Controls, Rudders and Bow Thrusters.

Question. Do you, or have you had sufficient spares available?

Answer. No, critically needed repair parts are not readily available through the supply system. Although 90% of the Material Support dates have passed LCAC continues to rely heavily on INTERIM (Naval Coastal System Command) or production line support.

Question. Are you supposed to get a LCAC trainer? If so, has it been delivered? When was it originally scheduled to be delivered?

Answer. The LANTCOM LCAC Trainer has not yet delivered. Our projected stand-up date is March 1993.

WEATHER RECONNAISSANCE

Question. During the height of Hurricane Gilbert last year, approximately 13 through 16 September, news reports detailed the Soviet Union involvement in hurricane reconnaissance missions into Huricane Gilbert. At one point during the storm our Air Force reconnaissance aircraft were denied airspace into Hurricane Gilbert. Did your command monitor this situation?

Answer. An Air Force hurricane reconnaissance aircraft, flying in support of the National Hurricane Center, Miami, 13–16 September 1988, was delayed approximately 45 minutes in entering the airspace around Hurricane Gilbert for reasons of flight safety. The Soviet aircraft had requested all altitudes to 20,000 feet be reserved in an extensive area around the hurricane. After communications between the Air Force WC-130, a NOAA P-3, and the Soviet aircraft were established, ensuring safe altitude separation, the Air Force reconnaissance aircraft commenced its mission. The delay in establishing the communications was exacerbated by the closure of the Merida Air Traffic Control Center due to the proximity of Gilbert. The Atlantic Command was aware of the Soviet aircraft's presence in Cuba. Since it was a civil aircraft, it was not considered to be a threat and was not monitored.

Question. How long has the Soviet Union been conducting these hurricane reconnaissance flights? Please provide details for the record.

Answer. In the last five years this was the third deployment of a Soviet hurricane research aircraft to Cuba of which we are aware. Although the other deployments were also during the hurricane season, this was the first time the Soviet aircraft flew close to a hurricane's center.

Question. What type of Soviet aircraft are flying these missions and from where?

Answer. The AN-12 (NATO code name CUB) four engine (turboprop) meteorologically configured transport flew the missions, which may be better characterized as research vice reconnaissance missions. This aircraft closely resembles both the appearance and the capabilities of the Air Force C-130. The aircraft has flown from four Cuban civilian airfields.

Question. What landing rights are granted our reconnaissance aircraft and those of the Soviet Union by other countries?

Answer. Air Force hurricane reconnaissance aircraft routinely land in Antiqua, Barbados, and Panama. Soviet aircraft have landing rights in Cuba, Nicaragua, and Panama.

Question. Has the Soviet Union acquired new landing rights or access rights in the Caribbean or Latin America since they began these weather or hurricane reconnaissance flights?

Answer. Not to my knowledge.

Question. What use does your command make of our Air Force reconnaissance weather and hurricane data?

Answer. Knowledge of the weather can be critically important in a military scenario. A tactical advantage can be obtained by knowing and using the weather. Weather reconnaissance could be the only source of weather information in an area of data denial or a data void. As such it is included in numerous Atlantic Command operation and contingency plans. Hurricane reconnaissance is flown by the Air Force in support of the interdepartmental National Hurricane Operations Plan. The reconnaissance data is transmitted to the National Hurricane Center, where it is used to prepare hurricane warnings and advisories. The Atlantic Command, similar to the civilian community, uses these warnings and advisories to deploy forces and to prepare for the onset of destructive winds and seas.

Question. To what extent is this information supplied to our neighbors and allies in the Caribbean and Latin American area?

Answer. The National Hurricane Center has close ties with weather forecasting agencies throughout the Caribbean and Latin America. All warnings and advisories are shared with our neighbors.

Question. What other sources of weather and hurricane data are available to the nations of the Caribbean and Latin America?

Answer. Great amounts of civil meteorological data are shared throughout the world under the auspices of the World Meteorological Organization (WMO). The National Hurricane Center has ties with our Caribbean and Latin American neighbors through the WMO. Civil weather satellites may be copied by anyone with the requisite equipment.

AIRLIFT

Question. Last March, Rear Admiral Smith, in a written statement of the HASC Subcommittee on Personnel, stated that only 60% of the peacetime demand for the Navy's organic airlift was being met due to a shortfall in medium and heavy airlift capability. He also mentioned a Center for Naval Analysis study which addressed the wartime deficiency of the Navy's medium and heavy airlift capability. Admiral Kelso, does the Naval Reserve fit into this airlift equation and how do they support the Atlantic Fleet wartime and peacetime logistics requirement? Provide details for the record.

Answer. ———. The Naval Reserve is responsible for all peacetime CONUS DON OSA airlift requirements. These are scheduled by Naval Air Logistics Office (NALO) through regional scheduling activities. During CY-88 CINCLANTFLT requested 32% (161,000 PAX) of all Navy passenger movements and 42% (7 million tons) of all Navy cargo movements. Approximately 75% of these requests could be honored by NALO, indicating full utilization of existing Naval Reserve capability.

Question. What type of planes would meet the required cargo loading characteristics and flight parameters of a medium or heavy lift aircraft?

Answer. ———.

Question. Would a C-130 meet these requirements?

Answer. ———.

Question. Did the Center for Naval Analysis study look at the C-130 and, if so, what were the study's conclusions?

Answer. ———.

Question. What according to the Center's study, is the total wartime readiness requirement for C-130 category aircraft and how does that compare with the numbers and age of the Navy's current inventory?

Answer. Not addressed, neither did the study attempt to identify the best model aircraft necessary for mission requirements.

Question. Would an increase in Naval Air Reserve productivity corresponding with the introduction of C-130's in the Naval Air Reserve increase the wartime logistics readiness of the Atlantic Fleet?

Answer. Yes, the introduction of C-130 into the Naval Reserve will provide more flexibility, more rapid response, and will free up USCG HC-130 assets for USCG taskings such as SAR. Also, the Navy version, C-130F, is better configured to carry cargo than a Navy C-9B or USCG HC-130. If additional Naval Reserve purchases are contemplated, the C-130F is preferable to additional C-9Bs.

FIBER OPTIC GUIDED SKIPPER

Question. Admiral, last year this committee supported funding to upgrade existing SKIPPER Bombs with a fiber optic guided kit. What benefits would a "FOG Skipper" (FOG-S) have over the current inventory of SKIPPERS?

Answer. The system is intended to be secure, providing jam proof two-way transmissions. Guidance and control signal processing can take place at the launch point contained in a reusable pod; and pilot steering commands, tracker commands and seeker images can be passed in real time in two directions. Bomb damage analysis can be available in real time; and terrain mask launch is possible. However, study of the effectiveness of the baseline FOG-S warhead is required; and since the baseline FOG-S seeker operates only in the visible spectrum, a seeker which allows day/night all weather operation would be required.

Question. What kind of anti-jam capability and range improvements would a FOG-S have?

Answer. As a passive system, all signals are passed via a fiber optic cable, therefore it is jam resistant. The standoff range of the weapon is approximately twice that of SKIPPER according to the Naval Weapons Center at China Lake.

Question. What support, if any, exists among the "flying pilots" or "users" for fiber optic upgrades to the SKIPPER?

Answer. The FOG-S program is still in the feasibility study and early development stages. Involvement in the program is currently limited to the Naval Weapons Center. The pilots that have used the system at the Naval Weapons Center seem to like it.

Question. What cooperative efforts are being made between the Navy and the Army regarding this program and other fiber optic initiatives?

Answer. FOG-SKIPPER is based on the Army FOG-M Optic Data Link. Although the Navy is working on other fiber optic initiatives, the FOG-SKIPPER technology does not appear to be readily transferable to other programs.

[CLERK'S NOTE.—End of questions submitted by Mr. Livingston. Questions submitted for the record and the answers thereto follow:]

BUDGET REDUCTIONS

Question. As you know, the Bush Administration is under severe pressure to re-submit the President's budget with a topline of zero real growth for FY 1990. Most estimates say this will require reductions of between $6 billion and $7 billion to the Reagan budget submission. Are there areas in your budget which could be reduced with the least effect on your day-to-day missions, and if so, what are they?

Answer. The USCINCLANT budget covers headquarters support items. My warfighting needs are addressed in the Service budgets. It would be difficut to assign impacts of budget reduction directly to USLANTCOM day-to-day operations. Generally speaking, many of the modernization programs would have the least impact on day-to-day operations; however, we must also invest in those areas to ensure adequate future capabilities.

Question. Can construction of any new facilities be terminated or delayed?

Answer. USCINCLANT generally focuses on those overseas facilities that support the warfighting capability. The budget contains few projects for this theater—all provide vital support elements for our combat forces.

Question. What are CINCLANT's highest priorities for budgetary protection and why?

Answer. As a minimum, we have significant concerns in the following areas: readiness (people), sustainability, and ASW.

We fully support many important programs that improve our ASW capability, since the recent Soviet trend has been to close gap in qualitative superiority we enjoy. We must also protect the Readiness and Sustainability accounts to ensure that our existing forces can accomplish their wartime missions. As they currently stand, funding in those accounts are held about level. The Services have ensured adequate OPTEMPO/flying hour/training levels; but there are still shortfalls vs. overall requirements.

SOVIET SUBMARINES

Question. What is your view of the Soviet submarine threat to U.S. forces in the Atlantic Fleet both now and over the next ten years?

Has Fleet Intelligence advised you of any significant changes in that threat over the last year?

Answer. The current Soviet submarine threat in the Atlantic is formidable—especially if we are not able to contain Soviet naval forces in the Northern Norwegian Sea and the Baltic. ———. While the number of Soviet submarines should decline in the future years as older units are phased out, the declining numbers are likely to be more than matched by the increasing quality of Soviet submarines. ———. As these developments underline, the Soviet submarine threat in the Atlantic is not likely to diminish over the next ten years but rather will present us with a new technological challenge.

OVERSEAS BASE CLOSURES

Question. In conjunction with the Commission on Base Realignment and Closure, the Department conducted a study of the US overseas base structure. The study was submitted to Congress in October, 1988.

The study indicated that the present overseas base structure is required to support US forces abroad and current operational plans.

Did you have any input into this study of overseas base structures? If so, what was your input?

Answer. Yes, USCINCLANT provided the Assistant Secretary of Defense for International Security Affairs with data on bases in my AOR. This data was forwarded under USCINCLANT Letter 11000 J531/S722 of 29 July. In accordance with ASD (ISA) instruction, U.S. possessions, such as Puerto Rico and the U.S. Virgin Islands, were not included in the scope of this study.

Question. Do you review the base structure of your Command?

Answer. Yes. The continuing need for these bases is predicated upon peacetime requirements and wartime plans. Deficiencies are documented, and required changes in force structure are initiated within the standard PPBS process. This process also identifies capabilities which are no longer cost effective or required.

Question. Are you provided with opportunities to either close or realign bases in your Command? Have you done so recently?

Answer. USCINCLANT, in coordination with components and subordinate unified commands, examines base closure and realignment issues and, where appropriate, makes recommendations as to the future status of bases.

The base agreement with Antigua-Barbados was revised last year, resulting in a May 1988 renewal of our lease (a five year lease, renewable at one year intervals). The Grand Bahamas Auxiliary Airfield was closed on 31 January 1988.

Question. Do you believe that more efficiencies could be realized by either realignment or closure of any more facilities in your Command?

Answer. Possibilities may exist for greater efficiencies within the Atlantic Command's area of responsibility. The following are being, or will be, examined for possible closure or realignment: The NAS Keflavik backup fuel facility at Hvalfjordur, Iceland is being examined for closure or phase-down as we approach the April, 1989 completion of Helguvik Fuel Terminal and the Iceland Region Operations Control Center (ICEROCC) at Rockville, Iceland will be examined for closure in 1995 (approximately) when the NATO-funded Integrated Air Defense System is completed. ———.

LEASING OF FACILITIES

Question. What has been your experience with leasing of facilities and/or office space?

Is it on the increase?

What types of facilities are you leasing?

What percentage of your 1989 operation and maintenance budget is devoted to such leases?

Do these leases have a tendency to tie you into a certain level of funding?

When lease requirements are added to such things as civilian salaries, are you not left with no flexibility to take reductions to your budget?

Answer. USCINCLANT does not lease facilities, and does not budget for such leases. Acquiring facilities, whether by new construction or leasing, is the responsibility of our Service components. The Services provide required operational and administrative facilities. USCINCLANT is not normally involved in the budgeting of Service components' funds for leasing facilities. Our involvement typically would occur only if major operational/warfighting or political issues arise surrounding a leased property.

BUDGET REDUCTIONS AND READINESS

Question. The Chairman of the House Armed Services Committee, Les Aspin, when asked recently about making reductions to the Defense Department budget, indicated that, "Cutting readiness may be the smartest thing to do."

Mr. Aspin indicated that readiness-related items could be reduced if there is an agreement that long-term national security needs are greater than the short-term needs. This would allow funding for procurement and research projects as an investment in long-term security needs. What is your reaction to this approach?

Answer. We must budget for a balance of preparedness to support combat operations today and investment in capabilities for the future. We just recovered from the poor readiness status of the 70s and have seen our readiness accounts underfunded for the past several years. The trends in resulting readiness point downward. We need not cut more funds in those areas to feel an effect.

Question. Which readiness items (training, flying hours, etc) are crucial and which items could be reduced without seriously impacting readiness?

Answer. Training, flying hours and OPTEMPO are held at fiscal year 1989 levels. Depot maintenance funding is short and WRM spares are underfunded. Both have the longterm effect of degrading our capability to conduct adequate combat operations. None can be further reduced without serious degradation of the warfighting capabilities of existing forces.

Question. We have found that it is often difficult to directly measure the impact of funding on readiness. We believe that the more flying hours a pilot gets the more "ready" he is, but have you found a good measure for how more readiness is purchased with an additional dollar or each additional hour of flying?

Answer. No, we do not have a good measure to equate readiness to dollars spent on hours flown. Our best methods are realistic exercises to measure the skills of our people and capabilities of our systems.

NATIONAL GUARD AND RESERVE FORCES

Question. The inception of the "Total Force" concept in 1974 increased our reliance on the Reserve Components. Today, with all the discussions on active troop reductions and/or troop withdrawal from certain areas, additional requirements will be added to the missions of the Reserve components.

To what extent, does CINCLANT depend on Reserve personnel? On National Guard personnel?

Answer. ———.

Question. In your opinion, is there a requirement for additional support from the Reserve Components?

Answer. Not particularly. This Command already relies on a significant number of Reserve Component Forces.

Question. How well do the assigned units perform their missions?

Answer. All Reserve Component commitments are being met quite well. Notwithstanding their shortfalls, they perform their missions with a high degree of professionalism, dedication, and preparedness.

Question. The General Accounting Office (GAO) issued a report on Military Capability—Readiness and Sustainability of U.S. Forces for a Conventional Conflict, dated August 1988. In this report, GAO stated that while the Department of Defense has achieved its objective of properly manned, equipped and trained combat forces, it has been at the expense of Army combat-support and combat service-support forces.

The report states that the Army Reserve component forces in the combat-support and combat service-support areas have low readiness ratings.

In general, do you agree with the assessment of the GAO?

Answer. Yes, although there has been a signigicant effort by FORSCOM/ARLANT to improve the forces apportioned to U.S. Atlantic Command.

Question. Specifically, how does the low readiness level of the Army Reserve combat-support and combat service-support units affect your command?

Answer. Generally, all units can perform their wartime mission. For a 200K call-up some units would be degraded due to lack of personnel. For full mobilization, cross leveling of personnel at the mobilization station would remedy the situation.

Question. Will these units be an effective force by their scheduled deployment date?

Answer. Yes, as long as cross leveling of personnel and equipment takes place for the appropriate units.

Question. What contributes to the low readiness level, i.e., number of personnel, number of unskilled personnel, shortage of equipment, equipment in poor repair, etc.?

Answer. The most critical factor contributing to low readiness is number of MOS-qualified personnel.

Question. What are your recommendations on how to remedy these deficiences?

Answer. Every member of the unit must play an active part in recruiting and retraining quality personnel. Unit training also has a direct effect on recruiting and retention. If the troops are experiencing dynamic, challenging training they will stay in the unit and encourage others to join. We must ensure the quality of our leaders at all levels and monitor their management practices.

Question. Are there any other problem areas (not already addressed) concerning the readiness of the Reserve Components in your command?

Answer. No. Outside of the personnel readiness issue discussed above, all other readiness areas are at levels that provide an effective fighting force.

Question. For the record, provide additional detail to support the above answers.

Answer. Readiness details are included in the SECDEF Report to Congress on Manpower, Mobility, Sustainability and Equipment.

IMPORTANCE OF U.S. MILITARY ASSISTANCE

Question. Admiral, we are constantly advised by the CINCs of the importance of foreign nations of U.S. military assistance and military training programs. Could you tell the committee how these programs help you accomplish your mission?

Answer. ———.

Question. What are the annual costs of these programs for the countries in your area of responsibility?

Answer. We need $11.3 million a year just to sustain in place programs. If Haiti were to begin receiving security assistance again, we would need an additional $3 million to bring their programs back up to their original status.

Question. What efforts does the administration undertake to inform the concerned committees of Congress of the importance of funding these programs and their close relationship to the maintenance of our U.S. defensed posture around the world?

Answer. The Atlantic Command has developed an excellent rapport with the various Defense and State Department executive agencies responsible for our region. They have provided support for our programs to the best of their ability, and have been our voice with Congress. As an example, the current initiative under section 506A of the Foreign Assistance Act to provide military to military support to the government of Jamaica, after the destruction caused by hurricane Gilbert, was facilitated by us through these agencies.

ADVANCED SUBMARINE TECHNOLOGY PROGRAM

Question. Admiral, as you may know, this Committee had supported both the SSN-21 submarine and, in parallel, the Advanced Submarine Technology Program managed by DARPA. Although the FY 90 budget includes funds in the Navy to transition successful technologies from DARPA to the Navy, there are no funds in the budget to continue DARPA's program.

The FY 1990 Navy budget includes funds to convert an operational SSN-688 submarine into a test bed for advanced submarine technologies.

Can the operational forces afford to lose one of our best attack submarines for long-term research?

If the test bed were a smaller submersible, we could maintain one more SSN-688 for operational missions, and at the same time conduct a less expensive research program because testing would be done at less than full-scale. Wouldn't this benefit both the operational forces and the proposed research program better than the current plan?

Answer. Use of an operational submarine to support advanced submarine technology testing is fully consistent with our operatonal requirements. The submarine used will retain its warfighting capability and tactical proficiency. Modifications to the submarine are such that it will be amenable to rapid prototyping and testing. Use of a smaller submersible for research would not provide an equivalent capability. The ability to transfer the developmental technology into the anticipated operational environment is invaluable in evaluating concepts and equipment quickly and realistically.

A-6 AIRCRAFT

Question. Some time back I visited aboard the USS AMERICA. I was very much impressed with the A-6 operations and the enthusiasm of the crew of this aircraft's mission. However, the FY 1990 budget terminates both A-6E production and the A-6 upgrade programs. It is understood that the basis for that decision is the fact that the A-12 (Advanced Tactical Aircraft) is planned to replace the A-6 aircraft. I understand that the current A-6's will comprise more than 25 percent of the Navy's medium attack assets well past the turn of the century. Is that correct?

Answer. It is my understanding that new production A-6E upgrade aircraft were canceled due to affordability constraints. There will be a requirement for the A-6 aircraft into the next century and the A-6E inventory accounts for more than 25% of total assets. The numbers, however, are based on some major assumptions including:

There is no slip in the A-12 production schedule; current inventory requirements, which are based on Naval Aviation Plan assumptions and current risk assessments, remain valid; and one for one replacement of A-6 with A-12.

Question. Are existing medium attack aircraft capable of meeting your current and projected threat and are they survivable in the expected environment of the next 20 years without an upgrade?

Answer. The requirement to upgrade the Navy medium attack force is based on the current and projected threat. The A-6E SWIP (System Weapons Integration Program) responds to that threat. With respect to survivability, there is a need to upgrade all aircraft based on a more hostile threat from an adversary. There are valid mission requirements which the A-6E, upgraded in capability and numbers, would be required to meet.

Every aircraft does not need to be stealth. Survivability is being enhanced by the current A-6E SWIP. Additional upgrade programs could include:

Penetrate present and future defenses (IDAP (Integrated Defense Avionics Program) and night attack navigation).

Reduce aircrew workload (HUD (heads up display) and digital cockpit).

Improve longer range detection and classification of targets (ISAR (inverse synthetic aperture radar) and SAR (synthetic aperture radar)).

Improve DECM capability (IDAP).

Improve low level navigation capability (night attack navigation).

Upgrade covert penetration (without stealth)—better night capability (night attack navigation).

Question. I understand that the A-6 upgrade program would have provided an improved capability to deliver standoff weapons. Would this capability enhance your operational effectiveness for the next 20 years?

Answer. Harpoon's standoff capability was exercised by A-6 aircraft in 1986 against Libyan patrol boats. The standoff weapons available today and many of those proposed for the near term are or will be compatible with the A-6E SWIP aircraft. Presently two A-6 squadrons, one on each coast, deploy with the SWIP aircraft. The Navy is pursuing this increased mission enhancement capability with additional A-6E SWIP squadrons.

It is the integration of the aircraft and the weapons system that provides the standoff capability. Although the A-6E SWIP upgrade provides part of this same capability, improved target acquisition and classification could also be enhanced by ISAR and SAR.

In terms of requirements, I can envision threat parameters which would require improved standoff capability to ensure or enhance survivability.

Question. Without additional A-6 aircraft or an upgrade program, what is your projected medium attack inventory shortfall until full fleet introduction of the A-12?

Answer. As I understand it, we show an inventory vs. requirements gap from 1990 to 1996 peaking in 1995. Any slip in A-12 production and its associated IOC (initial operational capability) will aggravate this shortfall. The Navy is currently exploring some force structure options.

As a warfighting commander, I have a requirement for adequate medium attack aircraft. Therefore, I can support the requirement for additional production of medium attack aircraft to prevent/reduce increased inventory shortfalls. The A-6 is a known and well proven platform. It remains an extremely capable aircraft. We should not limit its capability while we transition to a newer, more capable, but as yet, unproven aircraft.

Question. The A-6 operational community is represented by the A-6 Operational Advisory Group. What are their conclusions regarding priorities for the A-6 program in general, and the A-6 upgrade in particular?

Answer. ———.

EA-6B PROGRAM TERMINATION

Question. The Advanced Capability EA-6B involves mainly an upgraded receiver-processor. Does this also include an improved jamming capability to match the capabilities of the new receiver?

If not, explain why not, and explain how this limits EA-6B operational capability.

Answer. Yes, it does in two important ways. First, one of the most important improvements introduced with the currently operational Improved Capabilities-II (ICAP-II) was the "Universal Excitor" jamming pod. ———.

Second, ADCAP includes the introduction of the ALQ-149 communications jammer. This fills a long standing requirement for a system to interrupt UHF and VHF voice and data link communications.

LASER GUIDED TRAINING ROUND

Question. Admiral, in the past, this Committee has supported development of a laser-guided training round (LGTR) for the Navy. Because of its low unit cost, such a round would enable much more effective weapons delivery training for our aircrews in the Atlantic and elswhere. Do you support the Laser-guided training round program, and if so why?

Answer. Yes, providing the unit cost of an LGTR is significantly lower than the cost of a laser guided bomb. I would also expect that the LGTR would be available for use within the next two years. This would enable more of our aircrews to receive valuable training in employing laser quided weapons.

Question. Would such a round improve training for the Air Force as well as for the Navy?

Answer. The Air Force has considered LGTR; however, since many of their GBU-10/12 units are reaching "shelf life" limits, they feel those are a better resource for training use.

Question. Would such a round have utility in both a powered and an unpowered version and if so, why?

Answer. Yes, if the unit cost of an LGTR is significantly lower than the cost of a laser guided bomb or SKIPPER, it will allow enhanced training in both types of weapon systems without the limitations imposed by weapon costs and requirements.

Question. CINCPAC advised this Committee last year that, in his opinion, the Skipper missile offered an important standoff capability for the A-6. Yet isn't the accuracy of SKIPPER lessened without the additional training made possible by the LGTR?

Answer. Availability of LGTR will have no effect on the accuracy of the SKIPPER. LGTR would only provide a more economical training resource.

Question. State the current inventory of laser-guided strike weapons in the Atlantic Command, by type of weapon, for each Service.

Answer. ———.

Question. State the quantity and dollar value of such weapons used for training purposes during the most recent fiscal year.

Answer. USN: SKIPPER, 13, $30,722; MK-82 (MK I), 59, $13,769; MK-82 (MK II), 37, $13,769; MK-83, 40, $16,242; MK-84 (MK I), 8, $20,976; MK-84 (MK II), 4, $20,976.

USAF (TAC): MK-82 (GBU-10), 281, $10,300; MK-84 (GBU-12), 162, $12,500.

VERTICAL LAUNCH ASROC

Question. Admiral, last year Congress appropriated funds to procure 300 Vertical Launch Antisubmarine Rockets (VLAs), as an interim step toward the more capable Common ASW Standoff Weapon now under development.

Do you believe that VLA is needed as soon as possible in the Atlantic Fleet? Why?

Given current plans and schedules for Common ASW Standoff Weapons, will the Atlantic Fleet need more than its share of the 300 already procured?

Answer. Yes, it is needed now. There is a gap now in organic ASW standoff weapons in our VLS ships. Each ship that is delivered has no standoff weapon. VLA is needed to fill this gap until the Sea Lance is brought on line starting in July 1993. As an interim weapon, the five weapons for each VLS ship provide some organic capability beginning in January 1991. In view of the significant ASW threat in the Atlantic, consideration may be given to reallocating VLA assets to the Atlantic Fleet. Similarly, we can also load more than five VLAs in our deploying ships and reduce the number in our ships in homeport.

[CLERK'S NOTE.—End of questions submitted for the record.]

TUESDAY, JANUARY 31, 1989.

COMMANDER IN CHIEF, UNITED STATES TRANSPORTATION COMMAND

WITNESS

GEN. DUANE H. CASSIDY, U.S. AIR FORCE, COMMANDER IN CHIEF, U.S. TRANSPORTATION COMMAND

MOTION TO CLOSE

Mr. MURTHA. The Committee will come to order.

Mr. DICKS. I move that the hearing today, January 31, 1989, and those portions of the hearings scheduled for February 1, February 2, February 7, February 9, and February 22, which involve classified material, be held in executive session because of the classification of the material to be discussed.

Mr. MURTHA. The clerk will call the roll.

[The clerk proceeded to call the roll.]

Mr. MURTHA. Madam Reporter, let the record show that on this vote Mr. Murtha, Mr. Dicks, Mr. Hefner, Mr. Sabo, Mr. McDade, Mr. Miller and Mr. Livingston voted aye.

Seven Members having voted in the affirmative, this hearing is now closed.

INTRODUCTION

We begin our hearings this year with the Commanders in Chief of DOD's Unified and Specified Commands. Today we welcome General Duane H. Cassidy, United States Air Force, the Commander in Chief, of the United States Transportation Command or TRANSCOM.

The TRANSCOM was created in April 1986, with full operational status on October 1, 1988. TRANSCOM was created to provide an integrated military transportation system under one unified command.

This is the first time General Cassidy has appeared before us. General, we will place your written statement and your biography in the record and ask that you proceed with your opening statment.

SUMMARY STATMENT OF GENERAL CASSIDY

General CASSIDY. Thank you, Mr. Chairman, and it goes without saying that I feel privileged to be here.

At your first hearing, I think it is appropriate that the U.S. Transportation Command be the first one to appear before you because it is the command that affects all of those commands and Commanders in chief who will follow me, and I think you will find that out as your questioning with them proceeds.

I think it is nice to have one Pennsylvanian talk to another. It is nice to be here with you.

I would like to characterize the command and some of the things that are important to me in a few short comments and then I look forward to the questions.

IMPORTANCE OF TRANSPORTATION COMMAND

First, I think a viable defense transportation system is absolutely essential to our ability to defend ourselves. I think it is more important than that. I think a transportation system is important to everything that exists in our country.

I think the strength of our country economically, politically and in defense depends upon a transportation system.

I will probably be the only CINC that concerns himself with what goes on in the civil sector as well as the military sector and I want to convince you that I am as deeply concerned about what goes on in the civil sector of transportation as I am those organic resources that are assigned to me.

I think it goes without saying that throughout history from the early pioneer exploration to the conquest of space, transportation has made an indelible print in the development of our country.

I think that is why we have finally put the three elements of transportation and defense together in one unified command.

I think that has been a long time coming. I think it should have been earlier. However, I think the time is right now and having the U.S. Transportation Command here to appear before you, I think, is a great step forward.

I think anything that goes on with our strategy, with what goes on in our country, will even further depend upon transportation.

My point is that the national strategy of forward defense means that we fight the war outside our borders and I think anything other than that is clearly unacceptable to all of us.

The lessening of tensions with the Soviets does not change that basic strategy.

THREE ELEMENTS OF THE TRANSPORTATION COMMAND

As a matter of fact, no matter what we do, whether we adjust troop strengths overseas, whether we increase demands upon our people overseas, whatever we do, it will increase the demands on the three principal elements of transportation: airlift, sealift, and prepositioning.

The U.S. Transportation Command was activated on 1 October 1987 and I assumed operational command of the Military Airlift Command, the Military Sealift Command, and the Military Traffic Management Command on the first of October 1988.

If I could be specific about the way I am operating that command, it is indeed a unified command. We did not put the command together because the separate components, Airlift, Sealift, and Military Traffic Management Commands were doing things wrong. No, indeed. In fact, they are quite competent commands in their own right.

We put the command together because there are some things that are simply not being done and the command was put together to do the things that are not being done.

It is not my intention to tinker with the day-to-day operations of those three commands, although I will certainly provide guidance. It is my job to exploit the synergy between them in a unified command.

The more I become involved, the more I realize that transportation is the common denominator of our country, because it is critical to economic development of the country and because it is indispensable to the Nation's defense.

RESOURCES

Since this is my first appearance, I think it would be appropriate first to talk a little bit about the command and what resources I have and what I would use if we were required to activate for some contingency at the moment.

First, it is unique because of its relation with the civilian community. Seventy percent of the lift forces that I would use in a mobilization would come from the private sector.

You can see then why I will show a great concern about what goes on in the private sector and why I believe as a military man that I must exploit the private sector to get my job done.

Fifty percent of the total airlift—95 percent passenger and 24 percent of cargo—will come from the Civil Reserve Air Fleet, a well-established contract with the air carriers of our country.

We practice that everyday, and I think it is good, viable, and getting stronger everyday because the civil air industry becomes stronger everyday.

Seventy-five percent of the sealift will come from the Merchant Marine. That is principally sealift in the form of ship hulls used, much more than that when you talk about the merchant seamen.

If you go in and look at the merchant seamen who will sail those ships, over 90 percent of them will come from the private sector. They will be merchant mariners who have served us so well throughout the history of our country.

Eighty percent of truck and rail transportation will come from the civil sector. So you can see I am so dependent upon the civil sector. As a military man I have become very concerned about the economics of that civil sector, and I want to make sure it is available to me, because the alternative of buying great stocks of military transportation equipment is unacceptable and unaffordable and the wrong way to do it.

I think there is good news and bad news in the civil transportation industry. The good news is the aviation industry is thriving.

CIVIL RESERVE AIR FLEET

We are seeking congressional support this year in the President's budget for expanding the scope of our Civil Reserve Air Fleet enhancement programs and things that are needed.

Last year's bill asked us to provide a report this year to the Congress as to what we could do and what we would do if given more resources to use.

We have provided specific items that we would do to enhance the Civil Reserve Air Fleet. There are 747 air freighters coming off the line each day. That business is booming in Seattle and in Douglass as well as Long Beach where they are beginning to build the new MD-11.

These airplanes will be very useful to me and I am counting on them in the future to provide readiness for me.

The maritime industry of our country has taken an absolute trend in the wrong direction.

It is well documented now. Something must be done to stop the bleeding and then to rebuild that industry.

I think it is of national importance, although some would disagree with me on the importance of it, but it is absolutely important for defense and that is why I am principally concerned with it.

READINESS OF TRANSPORTATION

The readiness of this transportation system is a major U.S. Transportation Command concern.

I will look at our readiness, evaluate it, and then report my judgment of it to the National Command Authority. When they ask me if we ever have to activate for a major contingency or when we exercise plans, is what we are planning for transportation feasible, I will tell them yes and no. Then they will ask me what will be the closure time, in other words, how soon will you get what that Commander in Chief is asking for—how soon will you get that there?

Those two questions must be asked before even the course of action can be considered. That is how critical transportation is and that is why we take our job very seriously in this new unified command.

Let me make one further comment on that. It is unique in the relationship of what we do in peacetime.

When you talk about the readiness of the transportation system, I look at that in a very unique way. The uniqueness of it is that every transportation dollar that we spend in peacetime—we buy a lot of transportation from the civil sector and we have organic resources, such as the C-141's and the C-5's which we buy from ourselves—so every transportation dollar that we spend in peacetime to support our forces wherever they are, overseas or in the United States—every transportation dollar we spend has a readiness element to it.

So I must spend those transportation dollars very carefully in peacetime to make sure they buy me not only peacetime transportation, but readiness for wartime.

I need to have a transportation system available, to be able to predict what it can do, so I can tell the National Command Authority the answer to those two critical questions: Can you do it and how long will it take?

PERSONNEL

Three principal issues—one is people. I would not be true to my past experiences before several of the members of the committees of the Congress if I do not talk about people first.

It is clearly the most important element of what I have to do and what I do it with.

The quality of our people in these past years has increased so much and is so good now, that to characterize them as the best we have ever had almost does them an injustice, but that is a fact.

The people that we have today are the best we have ever had, the most qualified, the best educated, and I believe the most dedicated that we have ever had. We will also ask much more of them than we have of any people in the past because of our increase in technology.

For instance, the C-17 will have a three-man crew, yet it will do the same job of a C-5 or C-141 that has a six-man crew.

We are making more demands on our people because of the technology advances we are making in all kinds of equipment, not just airplanes.

The same thing is occurring in shipping. We are now building very, very large cargo ships built to be operated with as few as 12 to 16 men.

The older ships are sailing the seas now with crews of 32 to 38.

Those changes put more demands on our people, therefore, we must be careful about the kinds of people we get, how we train and educate them, and make sure that we keep them long enough to amortize the cost of the training and that we have people to train others that will follow them.

We are demanding much more of our people than we ever have before, but we have the quality of people we can do that with.

I could characterize for you the uniformed folks, those people that wear the uniforms.

I think we have the highest quality enlisted force we have ever had, it is strong and healthy.

Our second term career reenlistments are as good as they have been in my 36 years in the Air Force and I think the reason is the selective reenlistment bonuses that we have worked out with the Congress over the years and I urge you to continue to support those.

They serve us very well and have kept that enlisted force in a very good balance over the years.

Some of the budget cuts in the last couple of years have forced us to do some things we have not wanted to do. We have instituted early outs and cut people to make budgetary constraints.

We have done that, I think carefully, to make sure that the quality has not been affected.

We will continue to be careful about that.

SHORTAGE IN MERCHANT MARINE

I guess my two most serious people problems are a shortage of merchant mariners in our country as the maritime industry goes down and declining pilot retention.

As that maritime industry decays—and it is doing more than decaying, it is on a very, very steep slope—the merchant mariners that we train or have the capacity to train have no berths to go to and, therefore, that pool of merchant mariners that we have counted on in emergencies is dwindling and drying up.

As a matter of fact, the Commission on Merchant Marine and Defense Study alludes to a shortage of between eight and twelve thousand merchant mariners by the year 2000 if we don't do something to correct that now.

PILOT RETENTION

The second of my two major problems is what I believe to be a national problem as well, and that is a pilot shortage, the inability for us to retain the numbers of pilots in the military that we need to do our job.

The fixed wing pilot retention rates, if I could characterize them for you, have changed from a high in 1983 in my command of around 80 percent, to a rate now of around 27 to 29 percent, so that is a very significant change in just a few years and that is being driven in a large part by someting that is good; and that is the economy of our country.

Our economy is quite good. When the economy is good, our retention is normally not good, so I have a hard time complaining about that, but the fact is, those people with the most transferable skills of all military people, the airlift and transport pilots are leaving us in numbers that we can't afford and we must do something to correct that.

This is an international problem. The British are having that problem; the Australians, the Portuguese, the Italians, all of our allies are having the same problem because the air carrier industry, both cargo and passenger, is booming.

That is good.

The bad side of it is we have to make some corrections to make sure we keep enough people to do this job for us.

I think we have good recommendations for you on that and I will be glad to discuss that later.

QUALITY OF LIFE

Quality of life for our people is still very important. We don't intend to ever become absolutely comparable in pay. It will never be my recommendation that we should try to match the pay that pilots make in the airlines.

Our people come to do our job for different reasons. We just have to show some commitment on the part of our country to them to give them a decent wage for the skills that they have and that commitment to them from us, I think, should be somewhat comparable to the commitment we are asking from them.

We are asking young people at age 22 or 23 to commit to us for 20 to 25 years and that is not necessarily acceptable in our society. We like to leave our options open; that is the American way. We are asking them to do something that is a little unnatural to what the rest of their fellows are doing in the country.

So the quality of life things that we have in the Services, the medical care that we have for our people, are near and dear to them.

The quality of life things, like medical care, MWR, morale welfare facilities, which have taken major hits in the last several years, are very critical to our people. They say these things are what makes them join us instead of TWA or American or United Airlines where they will make more money.

They can receive some benefits, the comradery, those things that are supported by morale, welfare, and recreation—everything from NCO and officers' clubs to child care centers, to family support centers. Those sorts of things supporting the lifestyle that we ask them to lead are very important and I must say to you are critical to them. I hope you will support us in making sure that these benefits are not attrited away as has been the current direction.

THREE ELEMENTS OF TRANSPORTATION COMMAND

The three elements of the mobility triad, if I may use that term in combination with the forward defense strategy—are airlift, sealift, and prepositioning. Each of them is unique and each of them is complementary to the other.

Unlike the strategic triad where you need one to make sure that you have a survivable capability in case the other two are not available, the transportation triad is synergistic in its nature and we depend upon that synergy.

In other words, we must grow all of them together, all of them must be strong, because if any one of them is weak, the others must make up for it. That is what we see happening today.

Without the airlift to deliver troops and supplies, we lose too much time—as a matter of fact, we lose the war.

Mobility studies, beginning with the Congressionally Mandated Mobility Study support this conclusion.

AIRLIFT CAPABILITY

We have established in our link between the Congress and the DOD, a need to get to a 66 million ton miles per day airlift capability by the year 2000. We are well on the way to that and we have done some marvelous things to that end. The C-17 is a keystone for continuing the growth towards the 66 million ton miles goal—that is a goal and not the requirement. We have established 66 million ton miles as a fiscally constrained, reasonably obtainable goal. That is Pentagonese for we can't afford everything, but if we get to this, we will be doing better than we have done before. We have made great strides towards that goal. We must have the resolve to complete this airlift build. We must not stop now.

I realize there may be some pressures for that because of the budgetary situation we are in. I have a full understanding of that and I know what you will be faced with.

We have come a long way and to now stop this airlift build to the 66 million ton miles would be folly and wasting an awful lot of money that we have sunk into it.

The C-17 will carry us to the 66 million ton miles. That airplane is being built as we speak and I am pleased to say we have money at least to build the first squadron with an IOC in 1992 and that is good for us.

SEALIFT CAPABILITY

If I could go to sealift for a second, that is the weakest link of the three elements of the transportation triad. Sealift has problems.

The merchant marine of our country, which we have historically relied upon, absolutely depended upon for mobilization, is almost ready to be given the last rites.

I say that for emphasis. That is not the case. I think it can be turned around, but the fact is the merchant marine industry of our country is carrying less than four percent of the total goods that go to and from our country.

We are the largest trading nation in the world. We have the largest marketplace in the world, yet we carry less than four percent in U.S.-flag ships, and I think that is a national crime and must be turned around. If we can turn that around, it will also provide enough U.S.-flag carriers to take care of the transportation problems that I have.

Over 90 percent of what we will transport in any protracted emergency, and we see that from Vietnam to Korea—will be removed by the merchant marine, the very competent and capable merchant marine ships.

Those ships are leaving us now.

I shudder to think what would have happened had some of the members of Congress not supported the efforts of the DOD several years ago to buy SL–7s and put together a quick response reserve fleet that has now at least captured some of that capability that would have been lost because of the decline of the merchant marine fleet.

There are some ongoing programs which you will see in the President's budget which I hope you will support. They are not necessarily all in the defense budget. Some will appear in the Department of Transportation budget, in the Maritime Administration budget to operate those 91 Ready Reserve Force ships and we need support for that.

We need to continue with the building of the 12 Auxiliary Crane Ships. We need to continue the operation of the eight Fast Sealift Ships. We need to continue the prepositioning, the afloat prepositioning and the maritime prepositioning ships which we have built up in the last five or six years.

All those are good and have been able to accommodate for that rapid loss in the maritime industry. We need to keep those programs going until we can turn around this trend of the merchant marine industry and get ships back on line in numbers needed to do the job.

COMMAND AND CONTROL SYSTEMS

One concluding comment on command and control. It is my largest job, I believe, to make sure that whatever we have in the way of transportation capability is not wasted.

If I could leave you an axiom, one ounce of transportation lost is an ounce never regained, and that is particularly so in our fast lift transportation, the SL–7 fast sealift ships and the C–17s, the C–5s, the 141s, all of the airplanes.

I have to make sure through command and control systems that I know where those are all the time and that I manage the deployment flow in such a manner that I exploit the capacity that we have.

We are building towards that. We are making great strides in that. The strides that we have made recently in the last four years in the command and control system within the Military Airlift Command are dramatic.

We have been the lead command in the DOD, the lead command for the Joint Chiefs of Staff to build up command and control, and we have a command center that is second to none.

We have built the largest distributed data base in the country, and we have the secure communications to go with that.

We are putting it together in the Transportation Command, we are following that lead to pull together the several elements of transportation systems together into one system. This will not be some grandiose system of the future or some new system.

What this will be is pulling together the systems that exist today, both in the military and the civil sector, so they will talk to one another and so that I, in a central location, will be able to talk to the National Command Authorities and say to them, "Here is our capability today," and that will encompass not only the organic military, but also the capacity of the civil sector, which is considerable.

The civil sector is growing by leaps and bounds in their ability to watch things move and to guarantee on-time delivery. That is the buzz word in the civil sector today. They are using computer technology to do that and are doing it very well. We intend to tap into that, bring those together, capture information from all those systems to take advantage of some 106 systems that already exist and use that to exploit for the good of the U.S. Transportation Command. That system is underway now. We have several documents already developed providing an information flow that tell us what information is needed where. We intend to network a system of networks.

CONCLUSION

In conclusion, once again, I thank you for the opportunity to discuss the U.S. Transportation Command. I could go on for hours about the command because it is very exciting. There are lots of things that need to be done. Anything we do improves our capability and our country both economically and militarily, and I am interested in both of those.

Thank you.

Mr. **Murtha**. Thank you, General.

[The biography and statement of General Cassidy follow:]

Biography

U.S. Transportation Command
Scott Air Force Base, Illinois 62225-7001

Military Airlift Command
Scott Air Force Base, Illinois 62225-5001

GENERAL DUANE H. CASSIDY

General Duane H. Cassidy is commander in chief of U.S. Transportation Command and Military Airlift Command, with headquarters at Scott Air Force Base, Ill. As commander in chief of Transportation Command, he is responsible for global land, air and sea transportation for all U.S. fighting forces. As commander in chief of Military Airlift Command, he is responsible for airlift in support of unified and specified commands during war, periods of crisis, and contingencies. The general also commands special operations, rescue, weather, aeromedical evacuation, audiovisual, and operational support airlift forces for Department of Defense agencies throughout the world. He is executive director of the Single Manager Operating Agency for the Department of Defense Airlift Service.

General Cassidy was born November 24, 1933 in Coraopolis, Pa. He was commissioned a second lieutenant in 1954 following aviation cadet training as a navigator at training bases in Texas. His initial operational assignments in the Air Force were to the Military Air Transport Service: first to the Air Weather Service's 6th Weather Group flying B-25s and then to Air Rescue Service's 49th Air Rescue Squadron. During these assignments he participated in numerous Rescue and Weather Reconnaissance missions, including the Hydrogen Weapons Test in 1956 at Eniwetok Atoll in the Marshall Islands. His navigator assignments ended after two years as a MATS C-121 line crew member at Charleston Air Force Base, S.C. He entered pilot training in 1958.

General Cassidy was assigned to Strategic Air Command following his graduation from pilot training and flew B-47s at McCoy, Little Rock and Lincoln Air Force Bases. In 1965 he transferred to Minot Air Force Base, N.D., and served with the 810th Strategic Aerospace Division, whose mission included B-52 bomber and Minuteman missile operations. In 1968, he was reassigned to the Republic of Vietnam, serving first with 7th Air Force's Tactical Air Control Center and then with the Military Assistance Command Vietnam Directorate of Public Affairs as an air briefer to the Saigon Press Corps.

Reassigned from Vietnam in 1969, General Cassidy returned to the Air Force airlift mission and was assigned to Headquarters Military Airlift Command as executive to the Deputy Chief of Staff, Operations, and later as executive aide and pilot for the MAC Commander. In 1972, he assumed command of the 8th Military Airlift Squadron, McChord Air Force Base, Wash. He entered Air War College in 1974. Upon graduation, General Cassidy again served at HQ MAC as assistant chief of staff. In 1976, he was reassigned to the 63rd Military Airlift Wing, Norton Air Force Base, Calif., serving as vice wing and wing commander. He returned to Military Airlift Command headquarters in July 1980 and served initially as assistant deputy chief of staff for operations. In August 1981 he became the command's deputy chief of staff for operations. In

(Current as of October 1988)

1983, he took command of MAC's 21st Air Force at McGuire Air Force Base, N.J., for one year. During this period MAC was heavily involved in support of United States operations in Lebanon and Grenada. In August 1984, General Cassidy became the Air Force's deputy chief of staff, manpower and personnel at the Pentagon. The general assumed command of Military Airlift Command in September 1985, and of U.S. Transportation Command upon its activation on Oct. 1, 1987.

General Cassidy is a command pilot and senior navigator and holds the parachutist badge. He has over 9,600 flying hours. In addition to Air War College, he has completed the Industrial College of the Armed Forces and Squadron Officer School. He holds a bachelor's degree from the University of Nebraska at Omaha and a master of science degree from Troy State University; he has attended the Kellogg Graduate School of Management, Northwestern University, and Harvard University's Program in national and international security affairs. His decorations include the Distinguished Service Medal, Legion of Merit, Bronze Star Medal, Defense Meritorious Service Medal, Meritorious Service Medal, and the Air Medal.

General Cassidy and his wife Rosalie have two daughters, two sons, and three grandsons.

UNITED STATES
TRANSPORTATION COMMAND

PRESENTATION TO THE COMMITTEE ON APPROPRIATIONS, SUBCOMMITTEE ON DEFENSE UNITED STATES HOUSE OF REPRESENTATIVES

STATEMENT OF:
GENERAL DUANE H. CASSIDY
COMMANDER IN CHIEF
UNITED STATES TRANSPORTATION COMMAND

Not For Publication Until Released
By The Committee On Appropriations,
Subcommittee On Defense
House Of Representatives

31 January 1989

Mr Chairman and distinguished members of the committee, I appreciate this opportunity to appear before you today and describe to you this nation's newest unified command, the United States Transportation Command.

Since the invention of the wheel, transportation has played a major role for civilization. The discovery of new worlds, the establishment of trade networks, and yes, the rise and fall of nations are directly related to the movement of goods and people. Our own nation's history is highlighted by advances in transportation. The role of sea transportation is obvious in the discovery of our continent. The first Congress of the "new" United States understood that transportation arteries were the nation's lifeline and turned to the Army for surveyors and engineers to build roads and canals. The opening and development of the West was made possible by the establishment of railroads. The invention of the internal combustion engine, the use of steam drawn shipping, the development of modern trucks to replace wagons, and of course, the use of powered flight all have made indelible footprints in the development of the United States as the greatest nation in the world.

Today, the military transportation system is absolutely indispensable to our nation's strategy of forward defense. That strategy which calls for the prosecution of any conflict away from the shores of the United States is certainly far superior to the alternative of fighting within our own borders. Even as we observe and welcome the lessening of tensions between the US and the Soviet Union, we do not foresee a major change in that national strategy. Any adjustment in US conventional forces overseas would only serve to make more demands on transportation than there are today.

The lift equation includes air, land, and sea transportation and a command and control system to ensure these assets are used effectively. The idea of a unified transportation command to integrate these major lift elements is not new. A Presidential Commission recommended that unification as early as 1949. The establishment of the Joint Deployment Agency (JDA) in 1979 was the next major recognition for the need for a consolidated, coordinated effort for strategic mobility. The JDA was created as a direct result of the many problems identified in 1978 during the first government-wide mobilization exercise. However, JDA was only given coordinating authority and the need for a unified command for air, land and sea transportation still persisted.

On 1 October 1987, the United States Transportation Command (USTRANSCOM) was activated and I assumed operational command of component forces one year later on 1 October 1988. Our three component commands are; The Military Airlift Command (MAC), Military Sealift Command (MSC), and Military Traffic Management Command (MTMC). The Military Airlift Command, the largest of the components, is responsible for all global airlift operations. MAC has close to 92,000 active duty military and civilian personnel. When fully mobilized, MAC would gain another 22,000 Air National Guard and 46,000 Air Force Reserve personnel. The Military Sealift Command provides common-user shipping for DOD and has 7000 active duty military and civilian personnel, as well as over 2,200 Merchant Mariners under contract in peacetime, for a total of over 9,000 personnel in peacetime. When fully mobilized, MSC would gain an additional 2,300 men and women from the units in the Reserve Forces. Military Traffic Management Command manages all common-user ports, intermodal movements and CONUS land transportation. MTMC has 4,000 military and civilian personnel in peacetime and when fully mobilized, would gain over 4,400 Army Reserve personnel. In total USTRANSCOM has over 107,000 men and women during peacetime and when fully mobilized we would add approximately 70,000 from the Reserves and National Guard.

As the first Commander in Chief of the United States Transportation Command, and since this is my first appearance before your Committee, I will begin by providing you some information on our mission and forces and by pointing out some of the unique features of our Command. The mission of the United States Transportation Command is to provide global air, land and sea transportation to deploy, employ, and sustain US forces worldwide. Therein lies the first unique feature of the Command.

We are a functional unified command rather than a regional command. We provide vital support to all theaters and all CINCs. It is appropriate, therefore, that we are the first command on your agenda for hearings since we play a key role in the readiness of all the regional CINCs that will follow. I am certain that each of them will reiterate the same critical needs for transportation which I will discuss with you today.

Additionally, USTRANSCOM has a unique relationship with the civilian community. We depend on the civil sector for over 70 percent of the nation's strategic lift capability during wartime. This is by design of course, but it presents some real challenges. In wartime the US Civil Reserve Air Fleet, comprised of civil air carriers, would provide about 50 percent of all airlift. The US Merchant Marine will provide more than 75 percent of our sealift capability and the civilian transportation industry will provide close to 80 percent of the truck and rail requirements. The vitality of the civilian transportation industry is absolutely essential to meet strategic mobility requirements. So, when I speak to you about readiness, I must factor in my assessment of our commercial transportation industry -- all elements are simply essential to defense.

I have learned first hand by visiting several elements of our civil transportation industry, that there is good news and some bad news. The good news involves the aviation industry which I am glad to report, is a thriving, profitable business. The major air carriers we deal with provide superb service in airlifting millions of people and tons of cargo for the DOD each year. The bad news surrounds the maritime industry in general. At one time this industry was the pride of this nation, able to produce the ships and equipment needed not only for peace, but for war as well. Today, as a result of many different reasons, this industry is in poor shape and experiencing serious decline. On a more positive note, I am encouraged by management initiatives such as intermodalism and the development of systems to positively control cargo, which are being carried out by nearly all of the major corporations in the industry.

Although the civil transportation industry operates outside of the direct control of DOD or USTRANSCOM, we certainly exert a major influence on it. By working jointly with other departments of the government such as DOT we can influence the civil transportation policy that supports defense needs. The DOD is the largest single customer of the civil transportation industry, and although we represent a small percentage of the total business, we do have some leverage in negotiating with the commercial industry. The major benefit of relying on the civil industry for a large percentage of our strategic lift capability is the avoidance of a large buildup of military force structure to meet DOD needs.

During peacetime, USTRANSCOM's primary emphasis is on planning and integrating total wartime transportation capability. The component commands are primarily responsible for the management of their day-to-day operations. However, the readiness of our components and the defense transportation system as a whole is a major USTRANSCOM concern. This leads to one final unique feature of defense transportation.

There is a readiness element to every DOD dollar spent for transportation in peacetime. If service transportation budgets are reduced, the impact is not simply that they will move less people and equipment. The additional and even more important impact is the real loss of defense transportation system readiness. Transportation system readiness is dependent on its level of exercise. The level of exercise of MAC's flying operations, MSC's steaming operations, and MTMC's directed air, truck, and terminal operations is dependent on service transportation funding levels since those funds are used to pay for transportation operations. In addition, all theater commanders rely heavily on the transportation services provided by the components of USTRANSCOM for their own readiness and flexibility.

I will now discuss some of my major concerns and programs that are contained in the FY90 President's Budget currently before your committee.

PEOPLE

In my frequent travels to the component units of USTRANSCOM and to the different military related transportation industries, I have found that quality and enthusiasm of the transportation personnel, both military and civilian, is very high. After each visit, I come away impressed by the patriotism, loyalty, and hard work these people display. It is also apparent that we are relying on high technology more and more. For example, I recently stood on the bridge of one of the largest, most technically advanced ships in the world, a C-10 class container ship owned by American President Lines. This ship was built for a crew of 12 where just a decade ago even a smaller cargo ship would require a crew of 35 or more. These same technological advances are in being throughout transportation. For instance, the C-17 aircraft uses a three man crew in contrast with the C-5 and C-141 which need twice as many crewmembers. In short, modern technological advances result in less manpower but at the same time, require a high quality individual to train and work the new systems. We have this quality of individuals in the military now; they are the foundation of our warfighting and readiness capability. I find however, that in a nation where the pool of young people is getting smaller, the services have to be able to compete with civilian industry to maintain their current personnel posture. It is imperative that we, you the members of Congress, and I, make every effort possible to protect this all important national resource. To do this we must make sure that these individuals are compensated equitably and fairly for their labor and sacrifices. The kind of compensation I speak of includes not only pay comparability, but support for those personnel programs that enhance their everyday living style, a small but very important part of the total compensation package.

Our men and women in uniform are well aware of the problem you are struggling with and have been responsive to make the budget cuts these past three years we understand are necessary. Unfortunately, this has meant that these people have had to endure extended oversea duty, instability in the force structure caused by manpower drawdowns and, in general, situations that cause tremendous turbulence. In spite of this turbulence our enlisted force structure looks very strong and healthy. For example, Air Force retention of 1st term reenlistments is down slightly from last year, but no trend is indicated at this time, and the 2d term and career reenlistments are high and stable. However, there are certain career fields representing specific skills that continue to erode. With your continued support for the Enlistment Bonus Program and the Selective Reenlistment Bonus Program, we can insure that these men and women, with these skills, will be available to us in the future.

There exists another critically manned force within the Air Force that may weaken, if not cripple, this nation's warfighting readiness if not checked. I refer to the pilot force and in particular, the Military Airlift Command's pilot force. There is no question in my mind that MAC has the best trained transportation pilots in the world. At this very moment, these pilots and the crews they command are flying missions into the Soviet Union, Greece, Hong Kong, New Zealand, and even to the Antarctic where we resupply American troops and scientists working there. They fly our wounded and dead home; they fly our President and you, the members of our Congress. Quite frequently, you see the major news networks showing a MAC aircraft performing either a military or humanitarian mission much like the recent missions into Armenia to aid the earthquake victims. The pilots flying these missions are the foundation of the military transportation system. The loss of even one costs this nation dearly, not only in financial terms but, more importantly, in readiness. A MAC pilot is expensive because of the complex and demanding missions that he or she may fly. To fully qualify just one C-141 aircraft commander represents an investment of 3.5 million of the taxpayers dollars. Last year 114 C-141 pilots left the service. This represents the loss of close to 400 million dollars. During the past 10 years, MAC has seen the Cumulative Continuation Rate (CCR) for pilots in the 6-11 year group drop to a low of 14 percent in 1979, rise to a high in 1983 of 79 percent, then drop to 34 percent last year. Effective management of a force with that much fluctuation in its retention is nearly impossible. A report by the Air Force Military Personnel Center indicates that commercial airlines will continue to be a significant lure for military pilots. Their survey showed that 85 percent of MAC 6-11 year group pilots who separated were hired or were actively seeking jobs with the airlines.

Over 6600 pilots were hired by the airlines in 1988 and they forecast 6000 hires per year through the mid 1990s. The airlines are not only replacing the thousands of pilots that are retiring, but they are filling additional pilot vacancies created from airline expansion. I support both the aircraft and airline industry as they represent the biggest export industry in America and do more for the balance of payments than any other industry. Furthermore, I believe that a certain number of military pilots should gravitate to the airlines. However, we are looking at a retention situation that if not corrected, will leave the Air Force with a critical shortage of pilots in the early 1990s.

This is a long term situation that we must turn around. There is no simple solution because it is a direct result of a national pilot shortage. I believe that the management changes we have made internally and the pilot bonus, Aviation Continuation Pay, will combine to help stem the outgoing flow of these individuals who represent a critical link in our mission capability.

The Air Force has identified several factors that cause pilot dissatisfaction and we have made significant progress in eliminating these irritants. Adjustments to flying schedules to provide more stability, direct involvement of the pilots in their assignments, open communications between the younger officers and management, and emphasizing families are a few of the efforts we have made at the unit level to help make a career in the Air Force more attractive. Last year, you, the Congress, allowed us to take a big step in correcting our immediate concerns by approving funding for the Aviation Continuation Pay program and we are grateful. As of 13 January 1989, 385 out of 821, or 47 percent, of those MAC pilots eligible, signed up for the bonus and committed themselves to extended active duty. The Air Force rate for the same time period is 34 percent but it is far too soon to make predictions on this program's probability of success. The ACP represents a short term partial solution to a long-term problem. I urge the members of Congress to understand this situation and support the current request for ACP funding and any further DOD initiatives that will help resolve this pilot retention problem.

When Congress determined previously that we would be an all volunteer force, we, in effect, committed ourselves to civilian pay comparability. The approval of the FY89 pay raise of 4.1 percent and the increase in Basic Allowance for Quarters (BAQ) was a strong indication that you support our people in the military. Unfortunately, the compensation picture that our members see still falls short of their needs. We in the military find ourselves 10 percent behind the civilian sector based on the latest figures established by the Employment Cost Index (ECI). The cost of living outpaced the raise by 1.2 percent and the realignment of Variable Housing Allowance. (VHA) funds resulted in two out of every three Air Force personnel experiencing a loss in VHA. When these two factors are combined, some members are actually experiencing a decline in take-home pay. I wholeheartedly support the budget's military and civilian pay raise for the next two years. I solicit your understanding of the pay comparability issue and your continued support for the increases in pay these members so deserve.

The pay comparability issue is the heart of the compensation package, but there are other programs which are very important and directly impact on the quality of life of the services' men and women. The Morale, Welfare, and Recreation program has seen funding reductions for the past 12 years. The changes in the last three or four years have been traumatic to our forces. The Petty Officers Clubs and Non-Commissioned Officers Clubs of our services no longer receive appropriated fund support, even though the esprit de corps fostered by these clubs is still a major objective and an integral part of the military culture. Recently, we have been successful in reorganizing and revising our central DOD funding policy for MWR programs. What we must now revisit is our commitment to appropriating the financial resources necessary to sustain a comprehensive program to meet the mental and physical fitness, as well as the social and recreational needs of our military soldiers.

Another program that we need more than ever is the Family Support Center. This is a great success story in the Military Airlift Command. Currently, MAC has a center at each of its installations. These centers address the quality of life issues by responding to family needs, concerns, and problems at the local level. For example, the centers provide relocation support for families during a change in duty stations; they help families overcome financial, emotional, and other problems caused when they are uprooted and moved. They have programs to teach job-hunting skills and in some cases, help spouses find employment. That these and other locally tailored programs are effective is clear. Our commanders report improved mission readiness, increased retention rates among the enlisted ranks, improved unit morale, and a higher sense of commitment by the family to the Air Force way of life. I solicit your continued support for this essential program.

The Military Construction and the Military Family Housing Programs are indeed as vital to the high morale, welfare, productivity and retainability of our people as are the previously mentioned quality of life programs. New construction and revitalization of existing facilities such as medical, dental, recreational, and housing are absolutely essential to provide the high standards of excellence commensurate with the quality force we seek to recruit and retain. We need Congressional support of these facility requirements.

We are convinced that the well being of our people and their families is a key ingredient to mission capability and overall readiness. We need to continue to support, develop and operate a comprehensive community health care system that maintains the health and morale of soldiers, seamen, and airmen. I ask for your continued support for the objective of improved access to high quality, affordable health care services for our military families.

Regarding a medical user fee or co-payment; there is no way I can logically explain to our young staff sergeants or petty officers why they now will have to pay a user fee when seeking medical care for their family although it has been a benefit since their enlistment. I view the implementation, or even the testing of a medical user fee for non-active duty beneficiaries, to be counterproductive to our objectives of improved access to cost-efficient health care. The collection, tracking, and protection of these fees will be complex and very costly to administer. More importantly, such action will be viewed as an erosion of the compensation package. This will negatively impact recruiting and retention of our quality force. Maintenance of a quality force takes on even more importance during a period of declining end strength. Further, patients may defer needed care resulting in more serious, resource intensive illness.

We have begun local initiatives to improve access to high quality health care, while increasing management of CHAMPUS program costs. In FY89 Congress provided some flexibility for using a portion of the CHAMPUS budget for innovative health care delivery initiatives designed to provide net CHAMPUS savings. This flexibility increases the options of the local hospital/clinic commander and enhances his/her leverage in negotiating favorable contract services. This flexibility also supports the objectives of maximizing utilization of the direct care system medical facilities. I fully support this flexibility in the use of CHAMPUS resources and encourage Congress to continue support for such programs.

The Congressional initiative to improve medical officer's pay should help retain some physicians who would have otherwise elected to separate. I applaud this. We are critically short in several specialties, and each shortage costs the taxpayer dearly in either increased CHAMPUS outlays or high priced contracts. Unless we revise medical officer compensation on a long term basis, the physician shortage will increase rapidly. Efforts to reduce shortages in selected medical specialties by providing competitive compensation will require continued Congressional support.

Finally, in the area of reimbursement for the many permanent change of station moves that we expect our people to undergo, I appreciate the Congressional support this past year to help defray some of the out of pocket costs associated with these government directed moves. We need your continued support to ensure that none of our people are unduly subjected to financial losses when responding to the needs of the nation.

AIRLIFT

Implementation of our forward defense strategy is dependent on a triad of mobility elements -- airlift, sealift, and prepositioning. Each element of this triad is an indispensable part of the total mobility equation. If one element is weak, the others must pick up the slack if we are to be able to carry out our strategic goals. Each element of the triad has its own mutually exclusive characteristics. Airlift is rapid, responsive and the most flexible, but can carry only a small portion of the total requirement. Prepositioning is stable and can be planned well in advance, but it is not at all flexible. Sealift has the greatest total capability but is slow and not as flexible as airlift. All three elements at adequate capacity are required to meet our strategic mobility objectives.

The Military Airlift Command's resources are committed to strategic and theater airlift forces. Strategic airlift provides the first deployment step, a bridge of resupply to the theater of conflict. Whether by airland or airdrop, theater airlift provides the mobility and supplies far inland to the fighting forces. It is these two aspects of airlift that we rely upon to support the regional CINCs. Our ability to perform these two missions will be greatly improved with the addition of the C-17 with its strategic, direct delivery, and theater lift capabilities.

No matter how much firepower we have, if we can't get supplies and troops to the right place and at the right time, we lose. Timely arrival of supplies is absolutely necessary, there is no substitute for airlift. This fact was highlighted in 1981, when OSD completed the Congressionally Mandated Mobility Study (CMMS), the first study to ever take a comprehensive look at all aspects of our mobility triad, airlift, sealift, and prepositioning. This study proved that our mobility capability was severely lacking and that this lack of capability would seriously handicap our nation's ability to fight and win a war. The CMMS looked at mobility on a global basis and recommended that our airlift fleet be increased by 20 MTM/D over the study baseline. From this study the fiscally constrained, DOD goal of 66 MTM/D was established and continues to be the airlift requirement this nation should pursue in peacetime; and that has been the goal of the administration and Congress together.

MAC's current airlift capability combines active duty forces, Air Force Reserves, Air National Guard, and the Civil Reserve Air Fleet (CRAF) personnel, aircraft, and equipment into a national airlift force. We call upon this force in varying degrees to meet contingency or wartime requirements. We operate the C-5, C-141, and C-130 aircraft in the United States, Europe, the Pacific, and the Far East. In peacetime, we exercise the total system, maintain combat readiness, provide joint training, humanitarian assistance, and as a by-product, provide peacetime airlift for DOD and other government agencies. In wartime, this system surges to provide airlift to any part of the world. The airlift fleet is capable of both strategic and tactical operations. The C-5, KC-10, and C-141 are normally associated with strategic airlift operations, while the C-130 is associated with tactical operations. During a contingency requiring the rapid deployment of our forces, MAC will use the best aircraft, or combination of aircraft, to achieve our objectives.

We are making significant progress toward attaining the 66 MTM/D goal. In 1981, when the CMMS was first published, we had the capability to lift approximately 27 MTM/D. By the end of this fiscal year, our airlift capability will have expanded to almost 46 MTM/D, a 70 percent increase. Looking toward the future, with the C-17 reaching full production, we will embark on a new era in strategic airlift. The C-17 is a modern, low risk airlifter that will allow us to deliver our fighting forces closer to the battlefield, faster and more efficiently than ever before. The C-17 is the critical part of the total airlift picture in that the additional lift capability it will produce allows us to reach the goal of 66 MTM/D.

The support given by this committee and Congress as a whole made 1988 a banner year for the C-17 program. At the most modern aircraft production facility in the world, the Douglas Aircraft Company plant in Long Beach, California, the first of a new generation of airlifters, the C-17, is under production. We completed Critical Design Review in July, 1988, and assembly of the first aircraft began in August. The Department of Defense gave approval for MILESTONE IIIA, low rate initial production this month, and we are pressing ahead to reach an economical production rate of 29 aircraft per year by FY93. Thank you for your support.

The President's Budget before you supports an IOC of FY92. I am relieved to have this capability finally become available to our warfighting CINCs. As these CINCs testify before your committee over the next 2 weeks, I can tell you what they will say-- the nation must have the operational utility offered by this state-of-the-art airlifter. Since the CMMS was published in 1981, part of our national strategy has been to achieve a 66 MTM/D capability. The C-17 enables us to meet that goal with unprecedented flexibility for the theater CINCs. When the first aircraft is delivered to Charleston AFB in FY91, we will take a major step toward meeting our national airlift mobility goal.

The C-17 is not simply the best solution to meet the present and future airlift requirements of the war-fighting CINCs---it is the only solution. The C-17 will provide the capability to project light and heavy combat units, including any outsized equipment the services may have. When needed, it will deliver these units directly to the forward battle area, ready for combat. It will swing from its main strategic role to the theater airlift role to employ and resupply theater forces. The sustainment phase is most critical and this is where the C-17 pays off. It will be capable of moving large quantities of munitions, fuel, and outsized cargo needed by the Army's highly mobile ground and aviation forces directly to the fighting in forward areas. More importantly, the C-17 will lower the manpower requirement and decrease the operation and support costs. It will minimize the life-cycle costs and provide the most affordable solution to the nation's airlift shortfall.

In peacetime, we exercise the airlift system daily. In a low-intensity conflict, we transport the forces that spearhead the attack. During a major war, we provide the fast lift of supplies that could help deter the escalation of war. Airlift is a vital element in both peace and war and we need your continued support for the modernization of both our airlift forces and to maintain the readiness of our current airlift forces.

SEALIFT

Since assuming command of USTRANSCOM, I wear the hat of not only the airman but also the seaman and from the seaman's perspective, a serious national problem exists. I'm referring to the threat to our national security caused by the continuous erosion in our nation's commercial maritime industry. Approximately 75% of USTRANSCOM's sealift capability comes from the commercial sector and this number speaks only to bottoms and the number of bottoms continues to shrink as our national oceangoing liner companies fold up their tents. Only six major US liner operators remain engaged in oceangoing trade.

The warfighting impact is even more serious when one understands that the remaining 25% of our hulls, although government owned, are manned by commercial merchant seamen. Those seamen comprise a pool of seasoned sailors with a rich tradition of service to national defense who now find their numbers have dwindled 60% since 1970 to a current level of 28,000 and are projected to further decline to some 12,000 actively sailing by the turn of the century. Half of the current force is 50 years of age or older and there are fewer younger people coming forward to replace them, since there are fewer berths to which they can be assigned.

I fail to understand, but do not fail to grasp, the serious implications of the fact that a nation with our proud maritime heritage, the largest trading nation in the world, now has a merchant marine that carries only 4% of our foreign oceangoing trade. The US maritime industry has no commercial oceangoing ships under construction or on order. The last ship launched was the SS Kodiak on 9 November 1987. Frankly, I view the current state of the US maritime industry as a national tragedy. This nation's real might lies in its economic power that underpins its military power. When this economic power has been threatened, we've consistently taken measures to keep it strong in industries ranging from textiles to airlines. Our merchant marine dilemma deserves equal visibility and attention.

I am not alone in my beliefs. In the past two years, I have conferred with Navy leadership, industry leaders in the shipbuilding and ship transportation business, union leaders, and administration officials. Furthermore, I have read and have been briefed on numerous sealift studies and they all agree with the current and potential severity of the problem. Although mobility studies and expert opinion vary substantially on the actual sealift requirement, and on our capability to fulfill that requirement, the consensus invariably points to one conclusion--our commercial maritime fleet and its supporting industrial base are disappearing.

The increased risk to the nation is apparent when viewed in the context of "forward defense" -- the global military strategy of the United States. As I mentioned earlier, implementation of this strategy is dependent on three mobility elements - airlift, sealift, and prepositioning. We can assemble airlift within hours to rapidly deploy troops and high priority equipment and supplies. Troops airlifted to their destination will marry-up with prepositioned supplies and equipment. That which is not prepositioned, the bulk of the Army's combat power and sustainment supplies, will go by sea. In

Korea and Vietnam, this amounted to 97% of all war material moved. Admiral Crowe has stated, "In any major overseas deployment, sealift will deliver about 95% of all dry cargo and 99% of all petroleum products." Therefore, a successful strategy is dependent upon equally strong legs of this mobility triad. For reasons already mentioned, strategic sealift is the critical but now weak link.

To fully understand what a deteriorating merchant marine means to our warfighting capability, some explanation of the strategic sealift mission is necessary. The strategic sealift mission can be generally grouped into two categories: surge shipping after initial mobilization and resupply shipping to sustain our forces in the combat theater. The types of ships required for each mission are strikingly different. Surge shipping needs to be militarily useful to handle the outsized, bulky, military unit equipment. Resupply shipping, on the other hand, carries mostly containerized supplies to meet daily consumption and to build reserve stocks. As you will later see, the need for different ship capabilities exacerbates our sealift problem.

Various committees and studies have defined and assessed the decline of the US Flag Fleet. Not only has the merchant marine declined in numbers of ships, but the situation has been worsened by the decline in unit equipment capable military ships. This situation is caused by an economic shift toward larger, non self-sustaining container ships. The most well received study in this area is the Congressionally Mandated Mobility Study (CMMS). Known for establishing airlift requirements, it established sealift requirements as well. This study was the first to determine that more fast sealift is needed to complement the nation's airlift capabilities. It stated that a mechanized Army division requires more than 100,000 tons of cargo for deployment and over 1,000 tons per day for resupply -- an amount too large and too costly to be transported entirely by air. Another study, the 1984 Sealift Study concluded that in a full Southwest Asia deployment, dry cargo lift requirements totaled 800,000 short-tons of unit equipment for surge and 1.7 million short-tons for resupply. The then existing US maritime fleet was judged marginally inadequate based on a projected decline of 15 percent (1.9 million to 1.6 million deadweight tons) in available shipping.

The Commission on Merchant Marine and Defense Study represents the most recent public effort to assess the nation's capability of meeting its strategic sealift needs. The commission, after lengthy research of the maritime industry and military requirements, concluded the United States faces a clear and growing danger to national security due to the rapidly deteriorating condition of the US maritime industry.

They determined that a total of 650 modern cargo ships are required from the US Flag Commercial Fleet, MSC fleet, and the Ready Reserve Force to meet minimum wartime sealift requirements and still provide for adequate domestic economic support. Their estimate assumes the full utilization of the effective US control and Allied shipping pools. With the current downward trend in the industry and even with the anticipated future growth of the RRF (Ready Reserve Force), the commission projects a shortfall of 140 ships by the year 2000. Additionally, they believe a shortage of some 12,000 merchant seamen to man our fleets will exist if no corrective action is taken.

As you can see, the requirements versus capabilities discussions vary from study to study depending on the assumed scenario, availability of effective US control and Allied ships, assumed attrition factors, and the notional ship capacity each study selected as "standard." At this point, defining the exact number of ships sufficient to do the job is not as critical as recognizing and taking action to deal with the erosion of our strategic sealift capability. Every study or assessment of the situation points to the fact that we are heading in the wrong direction.

Fortunately, action to turn things around has already begun in some areas. Thanks to the foresight and commitment of the Navy, 7 billion dollars have been spent on improving strategic sealift capability since 1980. They moved to stem the ship shortfall and improve unit equipment surge capability with a rapid expansion to 91 ships in the RRF. The Navy has estimated that it has the capability to lift approximately 60 percent of Unit Equipment (UE) surge requirement. With the FY89 budget, funding for the continued expansion and maintenance of the RRF was transferred to the Maritime Administration (MARAD). Although no longer part of the DOD budget, we need to concern ourselves with the funding for the RRF in the Department of Transportation budget. This fleet of ships is extremely important to the wartime surge and resupply equations in our defense plans.

A unique element within the RRF also deserves attention and support -- the Navy's Auxiliary Crane Ship (TACS) program. Integral to the strategic mobility equation is the force (Army) capability to receive and discharge cargo in the objective area. The TACS give us this capability by permitting offload of non self-sustaining container ships in an austere or battle damaged port or in-stream. TACS are C-5 and C-6 class container ships with two or three twin boom heavy lift cranes capable of offloading containers of all sizes and even wheeled and tracked vehicles up to M-1 tanks. Six of twelve ships have been completed and are a part of the RRF. The next two ships are scheduled to be delivered this spring, and contracts for conversion of ships #9 and #10 are in final negotiations. MARAD's FY90 budget contains funding for ships #11 and #12.

Another Navy program designed to improve strategic sealift capability was the purchase and conversion of eight SL-7 ships into RO/RO/container rapid response ships. These ships, known as Fast Sealift Ships (FSS), provide us with great versatility. They are magnificent ships, large, fast (30 knots), and readily available on 4-day notice from their East and Gulf coast ports. These vessels form the cornerstone of our strategic surge sealift fleet. We urge full support of the DOD budget line for operation and maintenance of these ships.

Although not under USTRANSCOM's control, we are also supportive of the Navy's Maritime Prepositioning Ships (MPS) - a total of 13 ships with USMC equipment organized in three forward deployed squadrons of prepositioning ships, one each in the Atlantic, Pacific, and Indian Oceans. Each squadron contains 30 days of prepositioned supplies and equipment capable of supporting a Marine Brigade. The objective is to have the capability of employing a combat capable force in 10 days or less. Airlift will insert the personnel.

A similar program is the MSC-managed commercial charter of 12 ships for the Afloat Prepositioning Force (APF). These vessels give us a response capability in areas like Southwest Asia where lack of host nation support precludes us from prepositioning reinforcement supplies and material.

Finally, several ongoing initiatives in the Navy's Sealift Enhancement Program are designed to increase the military utility of the growing number of commercial containerships I previously alluded to. These enhancements consist of seasheds, flatracks, and universal adapters which will enable 25 container ships to carry unit equipment such as trucks and tanks. Additionally, we're installing cargo delivery systems that permit cargo ships to conduct underway replenishment operations and are purchasing offshore fuel discharge systems and elevated causeways to modernize and streamline ship-to-shore cargo and fuel transfers.

These efforts to strengthen our strategic sealift force are presented in the President's budget before you. However, recognize them as only a bandage to stop the bleeding in our sealift capability. I solicit your support in keeping the bandage fully in place until the wound has time to completely heal. This can only be done through a concerted effort to restore the health to our nation's maritime industry. The health of this industry directly impacts USTRANSCOM's ability to accomplish its mission. This is why I bring this issue before this committee. This is why you see me in the strange role of advocating support for the Maritime Administrator's budget before this defense forum. I would be happy to do it in any forum because it highlights the national scope of the problem and the national solutions that will be needed to fix it. I further urge you to discuss support for the MARAD budget with your colleagues on other committees, for as former Secretary of Defense Carlucci said in a recent statement before leaving office, "The problem is beyond the ability of the DOD to resolve and clearly requires the cooperation and attention of all appropriate government agencies." Currently, there are no hard and fast solutions to this enormous problem but we know DOD cannot solve it alone. It requires a national resolve led by our new Administration, you the Congress, and the entire maritime industry if we are to make significant improvements in our strategic sealift posture.

The first positive step in that direction would be adoption of a National Sealift Policy. Putting on my airman's hat once again, we've made progress in airlift capability in part because a national airlift policy was adopted. We stated our policy up front and for everyone to see. I believe similar positive results are to be gained if a National Sealift Policy is implemented. Until the time when we can make serious inroads into reversing the negative trends currently experienced and predicted in our maritime industry, I solicit your endorsements of those strategic sealift programs already underway.

COMMAND AND CONTROL SYSTEMS

Command, Control, Communications and Computer Systems (C4S) is extremely important to the success of this command. All the lift capability in the world is of no use if we are unable to direct and control it. Communication and computer systems are the keys to success for the United States Transportation Command. Proper command and control allows us to tie together all three lift elements; air, land, and sea.

The rapid advances in communication and computer system technology has produced an explosion of information capability for the commercial transportation industry. The ability to capture and use information has been the cornerstone of the industry's productivity and economic efficiency today. Currently, industry is focusing on total integration of information for intermodal management and tracking of vehicles and cargo A key achievement has been the industry's acceptance of common data standards such as Electronic Data Interchange (EDI). Since the commercial transportation industry provides over 70 percent of the DOD's wartime transportation capability, USTRANSCOM will capitalize on this progress and integrate it with the military transportation capability.

The command's initial development of its Command and Control Master Plan has identified an extensive baseline of systems which provide fragmented support to all echelons of users. USTRANSCOM will capitalize on these existing support systems to provide a "network of systems" commonly known as the "Global Transportation Network." This network will allow any user to access needed transportation information from any other user's systems of data bases. By using this extensive baseline of systems, I expect to keep our command and control systems funding requirements to only that level which is needed to provide this capability.

The nation has waited a long time for the integrated capability that USTRANSCOM will provide in global transportation management. The defense transportation community needs this single, interoperable, user-oriented command and control system to provide varying kinds and amounts of information to decision makers at different levels of responsibility. Your continued support for our command and control systems is requested. USTRANSCOM needs this capability.

CONCLUSION

Mr Chairman, in conclusion, I once more thank you for the opportunity to address your committee on the role and main issues of the United States Transportation Command. I am sure we will be back with further proposals for programs to ensure our nation has a total defense transportation system which completely supports the needs of theater commanders throughout the world. Our plate is full and the challenges are many, but with your support I foresee the total integration of air, land, and sea transportation assets to meet our national security objectives as a reality in the near future.

PEACETIME VS. WARTIME MISSION

Mr. MURTHA. You talked about the mission of TRANSCOM. Is there a difference in the mission in peacetime and in wartime?

General CASSIDY. Virtually no difference. The big difference in peacetime to wartime is, if we were to build the system that I see us building, would be only the pace, only the tempo of what we are doing.

What I believe we should do is develop a system that would operate in wartime exactly as it would in peacetime. There would have to be some differences, because you are moving different sizes of things and you are moving out of different ports, but principally we would use the same connectivity between us and the private sector, the same aircrews and command and control system in peacetime that we would in wartime.

What we do in wartime is shift gears and up the beat. In other words, when we go to war we would not say "time out, shift gears and go to a new system." That would take much too long and we would have to build a new system.

Mr. MURTHA. You take airplanes into the system, ships into the system. Do you also take the personnel into the system?

General CASSIDY. That is right. Our arrangements with the commercial air carriers I have contracts with now say I will need your airplanes and four crews per airplane to do the job. They guarantee me that airplane and those aircrews within a certain number of hours after I ask for them.

Mr. MURTHA. Do you ever exercise that in peacetime?

General CASSIDY. We do. We have never mobilized the CRAF itself, but we exercise it in peacetime all the time.

I was in my command center yesterday and we had eight Civil Reserve Air Fleet wide-body airplanes operating in the MAC system worldwide; several in Europe, several in the Pacific, one at Southern Command in Panama. We exercise at about that level each day, moving passengers and cargo, and that is consistent with the National Airlift Policy developed many years ago. That policy said that we would use organic military airplanes only to the degree that provided us the readiness we need and any other transportation would be bought from our civil air carrier partners and the reason for that is readiness.

COMMAND'S EFFECTIVENESS

Mr. MURTHA. I am delighted that we have a separate command. We cooperate with the Defense Department. This committee pushed the Defense Department to buy ships, the Navy in particular, because they have other goals. If it hadn't been for this committee, we would be in worse shape now as far as the number of transport ships in the system itself.

We have continued to try to look at the overall picture and we think your command will be an essential part of that.

Mr. McDade.

SUPPORT OF COMMANDER'S IN CHIEF

Mr. McDADE. Thank you very much.

General, thank you as always for a well-done statement. You have a very difficult job and as it looks to us today an impossible problem. As you know, we are going to have the theater commanders in. I guess we probably all agree here that if we asked if you could supply General Galvin's requirements within ——— the answer would be no, wouldn't it?

General CASSIDY. It would be no. But I think we have to put that in the right perspective. The requirements that we see for Europe or for any other theater are very large, as they should be, and they would support our plan fully and I don't think General Galvin expects to fight with everything he ever asks for. I think he recognizes that there will be some frictions there that will cause him to fight with less. He will ask if you can't get it there in this time, when can you get it there, and I will tell him and he will adjust his battle plans accordingly.

Mr. McDADE. Do you have a response today as to when he would get his requirements?

General CASSIDY. I would have a response, and it would be more accurate and quicker than we have ever been able to do before.

The reason for that is putting together the U.S. Transportation Command. We had, as you recall, the Joint Deployment Agency. We put that agency together in 1980–1981, after the Nifty Nugget exercise which showed our inability to do some of the mobilization that we need. The Joint Deployment Agency then did some valuable things and existed for a five-year period. It got to a level that it simply could not go beyond because it did not have the authority of a four-star Commander in Chief.

I have taken that Joint Deployment Agency, moved it to Scott Air Force Base and assimilated it into the staff of the U.S. Transportation Command. What that now gives me is the ability to look into computer systems, to look into the WWMCCS interconnect network that we have built over the years and give General Galvin the answers to those questions that he would ask.

Mr. McDADE. We support the creation of your command and we think it is essential.

If he called you and said, "Let's go," what kind of a response would you have to give him today?

General CASSIDY. In timing, sir, there are so many variables. It is not like I am going to dodge the question, but because of variabilities, such as, is there anything else going on in the world? Can I give General Galvin every bit of transportation that I have or would I have to hold some back in case US CINCPAC or US CINCSOUTH or US CINCSOF needs some? How much transportation am I going to be——

Mr. McDADE. Let's asssume you could allocate everything you have got to NATO keeping back just a minor reserve. I don't suggest that you will send everything. What woud it look like; when would you be able to fill his needs? How long would it take?

General CASSIDY. We would get into the classified. To be specific—I will give you that for the record certainly. But we would not have it there in the precise time he would like to have it there. We would be several days late for several reasons.

One, we don't have 66 million ton miles of capability in the airlift yet. ———.

[The information follows:]

NATO supporting plans currently receive —— of all US lift. As an excursion to the Improving Force Closures For Europe (IFCFE) study, half the remaining US lift or an additional —— was apportioned to the plans supporting Europe. This action increased capability to deliver forces by an additional —— short tons in the 10 day period. By increasing apportioned lift devoted to Europe to a total of —— the remaining shortfall was reduced to —— short tons, under IFCFE scenarios, and ——.

Mr. McDADE. And you are not projected until 2000?

General CASSIDY. Between 1998 and 2000.

SEALIFT ASSETS

Mr. McDADE. And sealift is in a worse situation?

General CASSIDY. That is correct.

Mr. McDADE. You indicated historically sealift was incredibly important to the need. I think your statement indicates that not only is that not going up, it is going down.

If anybody is given a commission to, say, pull a rabbit out of the hat, as I sit here it is you. I don't know how you can do that without a lot more assets, without a lot more dollars and they don't appear to be forthcoming.

General CASSIDY. I think we can. I don't want to sound like a cockeyed optimist, but it is going to take time. We put together a very good master airlift plan in the early 1980s, we have followed that piece by piece, and we are on track.

We said that by 1989 we would have 46 million miles capability and we have that today. We did that by building more C–5Bs and I have just taken delivery of the 47th C–5B. We have three more of those airplanes to go out of 50, and I will take delivery of that the end of March.

We have taken planes from a Pan America Company and made them convertibles. We bought the KC–10. So we have made great strides along that way and we are on track, and as long as we keep the C–17 on track, we will be on track for airlift going in the right direction.

Sealift will require a concerted effort of many committees of this Congress and several of the agencies of the Administration. It will take DOD, Department of Transportation, and FEMA, all of us working together, to revitalize that industry. And it is a big job. And it can be overwhelming, and there are several people who have said that is so overwhelming, why don't we go to some other problem. But we can't do that because I think we can fix the problem by revitalizing the merchant marine—not by throwing hoards of defense dollars against buying ships that sit out there and wait for a deployment. We should be having U.S. flag merchant ships on the high seas every day which will not only be advantageous for defense, but positive for the economic growth of the country as well.

Mr. McDADE. A lot of people have been talking about that for a long time.

General CASSIDY. They have.

Mr. McDADE. Do you feel you have some kind of authority by reason and creation of your command to give you some kind of optimism that reversing the trend in U.S. sealift would occur?

General Cassidy. Yes, sir.

Mr. McDade. What do you think is now vested in your command that is going to make that turn around?

NATIONAL SEALIFT POLICY

General Cassidy. First we need a national sealift policy now. We have never had that. We have had a national airlift policy for 30 years; President Eisenhower signed the first one. So we have had a policy that we could at least focus on.

We in the Transportation Command actively participated in writing the sealift policy that Secretary Carlucci just signed over to the National Security Council three weeks ago. I will see Mr. Scowcroft this afternoon and talk to him about the importance of the national sealift policy.

So I think the first thing we need is a policy. We need to sit down and say this is what we want to do. So we are on track for that. For once we have a Commander in Chief who is interested in that instead of several Services interested or several departments interested and nobody getting on with it.

We got on with it. We took it to industry and said, here is what we wrote. Are you guys interested in this? That industry is not noted for its harmony. We have gone to the unions and said we exist for defense, and therefore we have the mandate to make the situation better, and using that as the catalyst we have set our direction.

The second thing that I have is some leverage. The DOD does offer a billion dollars worth of business with the commercial maritime world a year, so if I can use that for leverage to prime the pump, if you will, and use that in the correct way to create incentives for this industry, I believe I can have an effect.

We certainly do not have the largest percentage of the business in the maritime world, but we are the largest single customer.

REVITALIZING MARITIME INDUSTRY

Mr. McDade. You are all that is left in this country. We see shipyards going out of business every day and the only little, tiny piece of blue left on the wall is the Department of Defense, and that's it.

General Cassidy. And we have not used that for the leverage we need to revitalize it.

Mr. McDade. It is pretty hard to imagine doing that. The requirements and demands are not there for shipyards to be incentivized to be in the business and say this is a business with a future. Every time you talk to those people, it is like sitting at a wake. All they see are yards closing, fighting for a scrap here or there.

The bottom line for those people is that they seem to be in a terminal business. It reflects here, only because we look at the naval shipyards, but it is one snowflake in a blizzard. We have tried here to look at the question of a mobilization base, not supplying ships, just keeping a mobilization base so that if there is a need, there would be a capacity to build some ships. That is a dreadful story.

I think we have something like to 35 to 40 percent of the needed capacity of the mobilization base sitting there. So the shortfall is 65 percent just in mobilization base, let alone in the ability to crank out ships. There is no demand in this country except for the Pentagon and that is specialized in a few yards.

We want to be supportive because the stakes are extraordinary. If you don't do your job and you are incapable of getting assets to resupply Europe, we are looking at lowering the nuclear threshold. The stakes are enormous.

I think the problem is important, but I wonder where on earth this nation is going to get back into sealift and the kind of thing that we depended on in the past——

NATIONAL SEALIFT POLICY

General CASSIDY. I think we have to start with the national sealift policy. Inherent in a national sealift policy is to set up a senior interagency group to oversee some of the things that you and I said need to be done and that for the first time would bring together several agencies; the DOD, Department of Transportation, the commander of the Military Sealift Command, all of us under the National Security Council, to get things done.

We have studied this thing to death. We don't need any more studies. We just need some direction.

I would suggest that we draw ourselves a little line in the sand and use some of the old tricks. If we are at four percent in the merchant marine now, if we are at four percent of the national business in U.S.-flag ships, we ought to draw a growth line and stick with it. We ought to go from four to five percent and from five to six percent and predict what that will give us. But we have to start somewhere.

I think over a four or five year period, if we can change that four percent to eight percent, or just to six percent, we will do some wondrous things for both the shipping industry and the shipyard industry.

PRIORITY OF MOBILIZATION

Mr. MURTHA. I think you are overly optimistic. As Mr. McDade says, you have to go to the services for your budget. We know how hesitant they are to give up warships, fighter aircraft and things like that. So you have your work cut out for you, and I hope you can convince Mr. Scowcroft that this is important, because if we had a mobilization, we obviously couldn't meet the goals.

Mr. Dicks.

MOBILIZATION REQUIREMENTS

Mr. DICKS. Let me ask you a question. When you talk about reinforcing Europe, ten divisions in ten days, how much of that is going to go by sea versus how much is going to go by air?

General CASSIDY. Let me give you an example, ten and ten: ten divisions in ten days. There are some pitfalls with that. We may do it differently. We probably would do it differently, but if I could use that example with those caveats, if you will separate it that way I will discuss it with you.

First of all, ten divisions in Europe in ten days depends upon four divisions that are already there ———.

Mr. DICKS. You have to take six divisions there?

General **Cassidy**. ———.

SUSTAINABILITY

Mr. **Dicks**. How about munitions?

General **Cassidy**. I can't give you a specific on that. The munitions plan is for sustaining for ——— could fight for a while with the munitions. How long depends upon attrition and where that war is. I don't have specific numbers.

Mr. **Murtha**. The allies don't ———. You would have to get them ammunition.

General **Cassidy**. ———.

MOBILIZATION REQUIREMENTS

Mr. **Dicks**. How much of that would go by airlift and how much of it by sea lift in percentages?

Rough percentages—you can correct it for the record.

General **Cassidy**. Let me see if I can characterize that correctly for you. ——— there are certain things that airlift can't take and therefore those things would go by ship. One hundred percent of the people would go by air.

Then for those sorts of things that are critical, we would also use air. But there is only 46 million ton miles of capability in the airlift fleet today. That is all of CRAF, organic and everything. So we would use all of that.

Mr. **Dicks**. Say we get through that first phase. In Vietnam and Korea wasn't it 97 percent of everything went by sea?

General **Cassidy**. Ninety-two percent. Ninety-nine percent of petroleum, oil, lubricants and munitions will go by sea.

Mr. **Dicks**. I understand your first concern is to get those C–17's; I have supported you on that. But, at the same time, if you are going to have a balanced policy you have to, at the same time, address the shortfalls in sealift.

General **Cassidy**. Yes, sir.

SEALIFT RELIABILITY

Mr. **Dicks**. Because once you get through this initial deployment then you have the capability to sustain what you have there and that is when the sealift comes in. I have been told that we could call upon ships that are owned by U.S. citizens but are flagged under a foreign flag?

General **Cassidy**. Yes, we can and we plan to do that. They are called the effective U.S. controlled fleet.

Mr. **Dicks**. That is much greater than the ships obviously that are flying U.S. flags that you talk about in your statement.

General **Cassidy**. We would call upon that fleet to some degree, but it is not prudent to plan on having all of that fleet because those ships are crewed by all sorts of foreign nationals, Filipinos to Koreans, to some of them all Asian crews. Although they are all owned by U.S. fleets, we don't know the predictability of what those crews will do depending on where the war is and when.

Mr. **Dicks**. How many ships can we reliably count on now to use if we were in this conflict—not just there, but I mean in your reserve operations; how many ships under U.S. flag——

General **Cassidy**. I will have to give you that for the record because that number——

Mr. **Dicks**. What is the number, roughly? Are you talking about 300 or 400 ships?

General **Cassidy**. No, 600 to 700 ships. We will need at least that, if not more, and those are the sorts of requirements that we are trying to identify.

[The information follows:]

The total U.S. flag ships assigned to USTRANSCOM are 581. In addition, the Maritime Administration (MARAD) has determined that there are 129 militarily useful ships in the effective U.S. control fleet (EUSC).

SEALIFT ASSETS

Mr. **Dicks**. How many ships do we have under control?

General **Cassidy**. I have 91 ships in the Ready Reserve Force, eight fast sealift ships, 12 afloat prepositioned ships.

Mr. **Dicks**. Ninety-one plus——

General **Cassidy**. Those—they are all pluses, they are all additional. You add up all the numbers. I have 13 maritime prepositioned ships; when I say I have, the military has. They are loaded with Marine unit sets in three squadrons, maritime prepositioned ships.

Mr. **Murtha**. Aren't those under your control?

General **Cassidy**. No. They are under fleet control, they are all U.S. Marine squadrons under fleet control somewhere. Once they have discharged their Marine equipment, I could call for them for use as common lift assets.

Mr. **Dicks**. How many ships did we have of this nature in the Vietnam and Korean conflict?

General **Cassidy**. Zero. The ones I have just mentioned to you have all existed in the last eight years. They have all come under our control since we started to recognize this problem.

In other words, that whole——

Mr. **Dicks**. That is because of the shortfall of the available Merchant Marine?

General **Cassidy**. The 91 ships in the Ready Reserve Force are ships deactivated out of the maritime world and would have gone away and either been scrapped or foreign flagged had we not bought them and put them in our Ready Reserve Force.

We have modified them and put them in our fleet.

Mr. **Dicks**. Are we training on those?

General **Cassidy**. Yes, sir. We break them out periodically for use in exercises, but it is not enough because the fleet size has grown and we don't have the money. We will use several of those ships in the Team Spirit exercise in Korea in March to move unit equipment. We do it in Reforger regularly.

As a matter of fact, two of those ships are in Tacoma.

MARINER FUND, FISCAL YEAR 1986

Mr. **Dicks**. Senator Stevens a year or so ago had a proposal to buy some additional ships, remember that?

General **Cassidy**. I don't remember that.

Mr. **Dicks**. His mariner fund proposal?

General **Cassidy**. I am not familiar with that. I am sorry.

Mr. **Murtha**. You ought to look into that plan because he wanted to add ships to the inventory and build them in the U.S. I am not sure how many and what the funding was. It fell through. But as you try to increase your ability to move equipment and personnel, that may be a way to do it.

COMMISSION ON MERCHANT MARINE AND DEFENSE

Mr. **Dicks**. On this subject, the Commission on Merchant Marine and Defense has recommended a package of steps to stem the decline of the Merchant Marine. Included are the DOD build and charter program and the enactment of an operating differential subsidy reform package. Do you personally endorse these recommendations and how do you think they would address the problems you face?

General **Cassidy**. We have taken a position on all the recommendations of the commission. We don't agree with all of them. We agree with the preponderance of them. There are several that we do not agree with and I will be glad to give you our specific writing for the record.

[The information follows:]

Subject: Report of the Commission on Merchant Marine and Defense.

The following represents United States Transportation Command (USTRANSCOM) views and recommendations concerning the Report of the Commission on Merchant Marine and Defense. This position was provided to JCS, via message, on 8 March 1988.

We wholeheartedly concur with the statement of the Commission that the problems of the Maritime Industry are indeed complex and pervasive in that the solutions are multifaceted and implementation of the solutions must be sustained over a priod of time. We also agree that the remedies are potentially so expensive and must emanate from all federal government branches as well as the private sector. That the state of the merchant marine must be considered a national problem more than simply a Department of Defense (DOD) problem. Our specific comments on the Commission's recommedations follows:

Recommendation one: We concur with the Commission's recommendation to develop a national maritime policy. To this end, we have participated in the development of the proposed National Sealift Policy. We view the national sealift policy as a defense statement of the sealift need. We think a national sealift policy statement issued in the form of an NSDD would be an appropriate first step. The Commission's recommendation one also has five subsets which require further comment. One of these sub-issues would place the merchant marine in a privileged position not shared with other US industries and would require both administration and congressional action. While the recommendation has some merit, we find no precedent for providing such a protected status to a single industry in this country and, in fact, following the Commission's recommendations to the letter would require the repeal of provisions of a number of existing laws. As an example: The competition in contracting act. We do concur with the thought that the government should refrain from any policy or program detrimental to the national maritime policy, and should ensure adequacy of the federal structure in support of the maritime industry. We also concur that the need to define completely the defense and economic sealift and shipyard requirements.

Commission recommendation two: We concur with the recommendation to revitalize US merchant marine in the foreign trade. We are aware the administration has developed ODS reform legislation and that this proposal is less generous than the Commission's recommendation. We would note that the ODS proposals do not provide incentives for those receiving the subsidy to be more efficient and more productive. While we do not have a concrete proposal to counter the recommendation, we support the continuation of ODS payments and reform legislation to the extent that it provides a better vehicle to enhance efficiency, productivity, and the viability of our merchant marine and to the extent such proposals are affordable. We do believe a more comprehensive cost benefit analysis is in order.

Commission recommendation three: This recommendation has essentially seven subsets. We non-concur with two of these. Our overall concurrence with this recommendation is based on a number of factors which will be explained in our addressal of each of the recommendation subjects. In regards to the recommendation to establish a procure and charter program, we non-concur in that an economic analysis of the need for such a program has not been conducted. Further, there is still a considerable difference in the preliminary estimates of the DOD and the Commission as regards the total number of ships required. The Commission recommendation for construction of troop transports is also not concurred with. The US Navy has consistently taken a position that it has access to US-owned cruise ships which are more than adequate to cover the projected troop ship requirement. Again, a detailed-cost benefit analysis coupled to a statement of the requirement has not been conducted. We do concur with the Commission's recommendations to facilitate long-term Navy charters and note that the 1988 continuing resolution provided this authority for leasing of clean-product tankers. Legislation is required to extend this authority for all charter operation. We concur with the Commission's recommendation for mobilization ship design and note that designs have been jointly developed by MARAD and the US Navy's NAVSEA. We believe the administration might support a restatement of Title XI authority as long as it was limited to production of ocean-going cargo ships only. We note too that the US policy generally opposes the continuation of the Capital Construction Fund Program and that it is currently in abeyance. We note also the administration has proposed repeal of the 50 percent tax on non-emergency repairs of US flag ships in foreign facilities, and finally we concur with any substantive proposal which would increase the construction of vessels for foreign military sales in US shipyards.

Recommendation four: The Commission's recommendation to ensure greater access to international trade and cargo through trade promotion and reservation of US government cargo essentially breaks down into the two parts of greater access to international trade and the treatment of government cargos. US policy has been that we should work to improve trade barriers and oppose most forms of sanctions and cargo reservation. However, our policy has been very supportive of the reservation of US government cargo to US flag carriers. Therefore, we believe the Departments of State, Transportation, and Commerce must work together with the Congress to frame legislation which would be accpetable both to the administration and the Congress insofar as the 100 percent preference for government cargo is concerned. We concur with this position; however, we must non-concur with the thought that any agency other than the DOD should be responsible for defense cargo transportation arrangement and payment. We believe DOD should continue to be responsible and accountable for the movement and funding of its own cargo.

Recommendation five: We concur with the general notion of preserving, enforcing, and strengthening the cabotage laws of the US, and we concur, in general, as well with the provision of incentives to improve military utility of ships. The last three sub-provisions of this recommendation all deal in areas in which US policy has opposed in the past as a restraint of trade. We believe these issues should be examined more thoroughly prior to the development of an overall position.

Recommendation six: We cannot concur with the Commission's recommendations as stated. We believe the DOD as a major shipper should be treated essentially the same by the shipping industry as other major US shippers. The Commission recommendation deals with using commercial tariffs and does not address the commercial practice of service contracts which are available to large volume shippers. Service contracts do not differ in a marked degree from the competitive bid procedures employed by the Military Sealift Command today. Our non-concurrence is also based somewhat upon the fact that peacetime overcapacity is recognized even by the industry as a major factor in the so-called cut-throat rates which prevail today. Another major factor over which the DOD has no control is the basic trade imbalance which exists between the US and Japan and most Western European nations. Given a favorable balance of trade, along with competitive rates, the cargo carried in US ships would increase significantly. We strongly believe the DOD transportation dollar (and other US government transportation dollars as well) have a readiness value which helps pay for acquisition and operation of wartime capability as it meets peacetime transportation needs. The maritime issues are so complex and varied that it is unclear to us at this time, particularly in light of peacetime overcapacity and in view of our near total reliance upon the commercial sector for wartime capability, whether the first additional dollar should be spent for transporting cargo or to acquire additional capacity in the Ready Reserve Force. We believe this is an area that requires additional study within the DOD. Perhaps the PA&E sealift economic analysis and requirements study currently underway will provide further insight in this area.

Recommendation seven: Concur. Definitive studies with implementable recommendations are required in each of these areas.

We appreciate the opportunity to provide our thoughts on the Commission's recommendations. We are available to assist you in any way in the further development of the DOD position.

General CASSIDY. For the most part, we agree with what the commission has given us. The commission has given us, first of all, a very good dictionary of what is available and what is not available and what the rates of decline of the industry are.

It is a very good document on that. The recommendations are very well thought out and although we don't agree with them 100 percent, we certainly agree with enough of them that if we do those we agree on, we can get underway to stop the trend.

BALANCE BETWEEN AIRLIFT AND SEALIFT

Mr. DICKS. As you mentioned, you have a dual hat. I want to give you a chance to correct this on the record. Some people were somewhat disturbed by your recent statement in Defense Week dated January 30 in which they say you said, "Cassidy also answered critics who say that military should rely more on sealift; not expensive jets, to meet mobility goals. The General said ships are more difficult to unload, need large ports and are more vulnerable to attack."

Is this an indication that you support sealift enhancement only to the extent that they do not threaten funds for airlift?

General CASSIDY. Absolutely not and I appreciate the opportunity to correct that for the record. I said we have got to increase the capacity of all these together and I think the model for that is what we have done in airlift. We must continue that commitment and bring along that commitment to sealift and prepositioning and POMCUS—the three elements are prepositioning POMCUS, sealift and airlift. If you don't bring those along together, the weakness of one will drag down the other.

REQUIREMENTS TO MEET TRANSPORTATION NEED

Mr. DICKS. What are the numbers, what do we have to do in those three areas to get where you want to get?

General CASSIDY. One of the problems is that we don't have the specific numbers that we do have on airlift. The reason for that is because of a rapidly changing industry and an industry that generally can't agree on what is there and not there at a given time. We are attempting to resolve that using the commission report and then a DOD study which we should have within weeks of now and that study is an update of the Congressionally Mandated Mobility Study—CMMS—of 1981. It is a Revised Intertheater Mobility Study. RIMS is the acronym for it. That has been worked on for two years trying to update CMMS.

Mr. DICKS. When you get that report, would you give it to us for the record, a synopsis of what we have now and what we need to have from your perspective to meet our requirements.

[The information follows:]

The Revised Intertheater Mobility Study (RIMS) is a JCS/OSD study. Current estimate for its completion and release is in the spring. We will request OSD provide you a copy of that study when it is available. We plan to thoroughly evaluate that study and will then provide you with our perspective of what is needed to meet requirements.

General **Cassidy**. There are several sets of figures like that now. We will have that study plus the commission's report and our assessment of those two together which we then believe——

Mr. **Dicks**. That is a baseline?

General **Cassidy**. Yes, sir. In the fall of this year we are going to put on an exercise called "Proud Eagle of 1990" which will be like "Nifty Nugget" of 1978 and that will verify the old question, how much of what do you need.

We clearly know that we don't have enough and the trends in the maritime industry are wrong, but I can't tell you specifically at this time with great confidence how much do we need.

U.S. OWNED SHIPS WITH FOREIGN FLAGS

Mr. **Dicks**. One final question, those number of ships that are owned by U.S. citizens but are flying foreign flags with foreign crews, how many ships are we talking about?

General **Cassidy**. I don't have that. I will give you that for the record.

[The information follows:]

19 dry cargo ships. 99 tankers, and 11 passenger ships for a total of 129 militarily useful ships in the effective US control fleet (EUSC).

Mr. **Murtha**. Mr. Hefner.

Mr. **Hefner**. I would like to reserve my time, Mr. Chairman.

Mr. **Murtha**. Mr. Miller.

GROWTH OF AIRLINE INDUSTRY

Mr. **Miller**. Thank you, Mr. Chairman.

General, clear up one point first. In your statement you state that "I support both the airline and aircraft industry as they represent the biggest export industry in America and do more for the balance of payments than any other industry." I don't know whether we are talking about agriculture as such, but up until now we continue to see the figures—agriculture is doing more to help us on the balance of payments.

Are you saying that the airlines are doing more than agriculture?

General **Cassidy**. Yes, sir, I am. I am saying that the airline and aircraft industry, the air industry in our country is doing now more than agriculture. That came as a surprise to me. Last year I would have said to you second only to agriculture and that is what I had been saying. I was told just several weeks ago that within the last six months that has changed, the government figures will show that the airline/aircraft industry and its growing size is contributing more to the balance of payments than even agriculture.

It was a surprise to me as well, Mr. Miller.

EXPANSION OF OCEAN-GOING TRADE

Mr. **Miller**. That is very interesting. In another area, you mention that we are the largest trading nation in the world, yet we have a Merchant Marine that carries only four percent of our foreign ocean-going trade.

General **Cassidy**. That is correct.

Mr. **Miller**. What nations are furnishing the ships for our foreign ocean going trade?

General **Cassidy**. Principally the nations that we do business with. The emerging nations and the nations around this world have seen the maritime industry as a target of opportunity for them to be able to get into world trade and world economies. The grossest of all examples is the Chinese. I believe the number is in about the last 10 years they have gone from less than 500 ocean-going ships in the maritime industry to over 1,000. They have made a national commitment to take on that industry.

What is happening then, you see is that industry, plus the largest steel industry in the world and the largest ship builders are now Korean. You see those nations getting into this business to capture that market for their own interest and they are doing it with national companies and greatly subsidized private companies. We are not playing on a level playing field and we are getting eaten up in the marketplace and we have to stop that.

SUBSIDIZATION OF MARITIME INDUSTRY

Mr. **Miller**. The bulk of the savings that they would have would be because of the subsidies and not necessarily a lower labor rate?

General **Cassidy**. All of that is a factor. The lower labor rates and lower labor standards are permitted by their governments because their governments have different labor standards. I don't suggest that we should go towards theirs; I think we should bring the world towards us. The cost of feeding our seamen at sea by our standards is something like 12 times that of an Asian crew where they feed them several bowls of rice a day.

So those sorts of ratios exist within that labor industry and you are absolutely right, that has contributed as well.

Mr. **Miller**. We are subsidizing our maritime industry?

General **Cassidy**. We are, yes.

Mr. **Miller**. So other nations are subsidizing but you are saying that they are subsidizing more?

General **Cassidy**. I am saying that, and some of those countries own the ships themselves. I am also saying that our subsidies are not working, that we have to take a very hard look at the way we are subsidizing the industry and come up with some other ways. For instance, through bilateral agreements, I would suggest that we need to get into the bilateral agreements with other countries that say that when they ship, or when we buy, that part of that comes on U.S.-made or U.S.-flag ships. We can't control all of that, but we should get a percentage of it; that is in our national interest. I think that can be done with some bilateral agreements. That is why my suggestion with the national sealift policy brings together all of those agencies of the government that can affect this—the Department of Transportation, Department of State, DOD, all of us must get together and we don't do that now—Commerce as well—and lay down some markers on what we want this industry to do. I say that about this industry because the industry has national implications. It is not analogous to other industries and I believe that we in defense have a responsibility to be the catalyst for that.

Mr. MILLER. We had legislation a couple of years ago that had at least an amendment in it directing that U.S. cargo ships would move a certain percentage of our cargo. Are you saying that this is a legislative responsibility and that we should have legislation to that effect?

General CASSIDY. No, sir. I would be very cautious about that. I would say that our country needs to make—first of all, there are laws on the books for that sort of thing. There are cabotage laws which direct that any ocean going trade going from one U.S. port to another must be carried on U.S. bottoms and those in the main are adhered to. There are policies of the government saying that all military cargo must go on U.S.-flag ships. I don't know that all of those laws that exist now are completely 100 percent adhered to. I think we should start out by reviewing those laws and then making sure that we have adherence to the laws that now exist. Then I would say rather than passing laws or legislation, that we go into the bilateral agreements to try to get our share of that marketplace. I was on a very big ship, it was in the Panama Canal six months ago and it was a Toyota-owned ship. It was a funny looking ship with a conventional hull and on top, a six-story box. I found out that they were not only bringing Toyotas to the U.S. in that ship, but they were doing final assembly work on those Toyotas in that ship. They weren't just transporting them, they were putting bits and pieces on and redefined the words "in transit time." It struck me that if we were putting U.S. dollars in those ships and I need those ships for defense, I ought to have control of those ships and I don't think anybody in the military has asked that question.

Mr. MILLER. As I recall, a few years ago Japan was buying logs in this country and when it came off the ship in Japan, it was plywood. They had prepared it on the way; so that is not new. Maybe we are doing the same thing.

General CASSIDY. I would hope we are. We are certainly more ingenious than any other nation in the world and we should capitalize on that if we can.

TECHNOLOGY INCREASES

Mr. MILLER. You mentioned about being on the bridge of a C-10 class container ship——

General CASSIDY. Yes, sir.

Mr. MILLER. It had a crew of 12, and normally a ship of that size would have a crew of some 35?

General CASSIDY. Yes, sir.

Mr. MILLER. Apparently, the technology today will allow that?

General CASSIDY. That is correct.

Mr. MILLER. They can be in a control situation and not out running on deck?

General CASSIDY. That is correct.

Mr. MILLER. You also mentioned a little later in the statement about a shortage of some 12,000 merchant seamen to man our fleets that exist if no corrective action is taken. If we have this technology going now and we need less seamen because of that technology, is that still true that 12,000 merchant seamen will not be there and we will need to have that corrective action, because as we move from today to tomorrow and next week we should have ships then that may operate with six people instead of the 12 you are talking about?

General CASSIDY. That is correct sir, and the figures, the 12,000 shortage, I believe I referred to the figure from the commission's report on the maritime defense and I qualified it with that. They looked at that in isolation of great changes we will make in technology because they had to at that moment—the ship I talked about, the C-10 I used as an example of what technology can do and you characterized it correctly—on the bridge of that ship I believe I counted six or eight terminals supported by three different computers and there was no need for an engineer to be down in what was referred to as the engine space of the ship. It could be operated by one officer from the bridge. That is the kind of technology advances. That ship is a container ship and that kind of ship is not at this time militarily useful to the degree that we need it to be militarily useful.

We need a lot of break bulk container ships because we move helicopters and things not designed for containers. So that sort of technology as applied to that kind of ship is isolated in that world and there will still be some shortage of those mariners until we get our cargo and the kinds of ships that are available more compatible. We are working towards that as well.

Mr. MILLER. Thank you, Mr. Chairman.

INCREASE IN READY RESERVE FORCE

Mr. MURTHA. Mr. Livingston.

Mr. LIVINGSTON. Did I hear that you are thinking about building up and going back to fill the shortfall of 140 ships by the year 2000, and you recommend the government interject its own resources to make up that deficit?

General CASSIDY. The 142 ships I spoke of in my statement relates to the Ready Reserve Force which we have built up to fill the vacuum as the merchant marine goes down. So we have 91 of those ships now and by 1995, we plan to grow to 142.

The perfect world would not buy any more of those ships at all. The perfect world would not be buying these ships as a stop-gap measure because we absolutely need them. They are critical to us now and we should grow to 142 if we can. But the equilibrium we should be going for in the long run should be to not have ships just sitting empty and not being used and waiting for seamen to be called up in time of emergency.

The ultimate equilibrium would be to have those kinds of ships flying the U.S. flag with U.S. merchant seamen on them fully applied and moving in the world's trade.

So that is a stop gap until, as I say, we can get this merchant marine problem turned around and on an upswing.

SUBSIDIZATION OF MARITIME INDUSTRY

Mr. LIVINGSTON. Obviously the way the United States takes up the world labor market in that field, the only way to do that is with subsidies.

General CASSIDY. We will have to have subsidies in this industry for several years to come. We ought to have a plan to work our way out of them and into a directed world trade. We can do that by using what Americans do best. First of all, a technology and then the systemic approach to it.

I would use the example and that would be Federal Express. You remember when Federal Express first came into the small package industry. They were the king. There was no competition, and then UPS, Emery and a few others got into that and there is competition now. What they sold is the thing they were best at. They said, "We'll get it to you next day service," or next morning service, and they sold a service for a premium price and they are still the number one in the industry. So I think there are things that U.S. industries have that no one else has that we can sell. And I think we should be doing that.

SHIFT OF RESOURCES TO RESERVES

Mr. LIVINGSTON. Back to your comment about utilizing the resources we have. I recall recently former Secretary of the Navy John Lehman wrote a column and said that we really have too much across the board in active forces and that we really ought to be relying, we ought to shift the load to the reserves and reduce our forces so we can cut our military budget.

Do you agree or disagree?

General CASSIDY. I disagree with him quite strongly. I think before you make statements like that, I think you need to look into exactly what is in the Reserve and the active duty. There is so much of the sealift and ground transportation in the commercial sector that it is a bad analogy.

For instance, I only have 7,000 men and women in the Military Sealift Command and another 6,000 or 7,000 in the Military Traffic Management Command, and some of those are civilians, so it is a very small force to begin with. The airlift force is different.

Now, if I could take you through what that force looks like—fifty percent of my airlift capacity is in the civilian sector right now. Of the remaining 50 percent, about 60 percent of it is in the Reserve forces right now. That number fluctuates a little bit as we move airplanes in and out. But it is—somewhere between 60 to 58 percent of that right now—in Reserve forces. So that means that all I have in uniform today is something around 42 percent. And what you must have, first of all, to keep that balance correct is a Reserve force that is capable and competent and that you can recruit to. In other words, it has got to be the right size, and I believe we are right about there.

I must say the Reserve force we have in the airlift business is second to none. If you get on one of my airplanes today, you won't be able to tell the difference between the Reservist and active duty guy; they look the same, they wear the uniform the same. We are proud of that, and we want to keep it.

I would offer to say, without gainsaying like these statements you are attributing to Mr. Lehman, put it on reserve. You change the character of that good reserve force and that is dangerous.

The other element is we have to respond to peacetime non-mobilized contingencies. Those are the kinds of things we have been involved with very heavily ever since I can remember. The most recent is the Persian Gulf. Active right now is the INF agreement, the inspection teams that we move into the Soviet Union and into our country. Grenada was one. All of those peacetime contingencies you cannot mobilize the Reserve forces for. You must have a force of some kind you can respond to and you must be able to respond very quickly and you must be able to sustain that.

We have looked at the balance of reserve and active duty in that force, and feel that we are about the right size for that. I recognize there will be some notions to put more into reserve, and I will caution against that, but I think that balance we have is very good.

Mr. LIVINGSTON. Would you make the argument to other aspects of our defense program?

General CASSIDY. I certainly would. You change the character of the Reserve force, what you end up with is two active duty forces. Reserve Forces by definition are best used for missions that have low peacetime activity rates and high wartime activity rates.

For instance, if I could use my example, the aeromedical evacuation business in the United States Air Force has a very low peacetime rate. We don't have many casualties at peacetime. It is a very high wartime rate. We have 90 percent of the aeromedical airlift capacity of our country in the Reserves.

The other thing is aerial port capacity. Over 70 percent of that is in reserve. On the other hand, things like air traffic control, which we have to do day in and day out in peace or war, a larger percentage of that is active duty. So I think we have to look at each element individually and look at its peacetime and wartime activity rate and make some balanced judgments rather than just saying put it into the reserve.

I am worried about not just what it does to active duty, but I am worried about the Reserve forces. You can tell why. They are half of my capacity.

Mr. LIVINGSTON. Thank you, Mr. Chairman.

Mr. MURTHA. Mr. Hefner.

AVIATION CONTINUATION PAY

Mr. HEFNER. General, would you describe the aviation continuation pay program as a short-term solution to a long-term problem? If so, what do you see as the long-term solution?

General CASSIDY. I see the long-term solution to be many faceted, but if I could focus the answer on the money, the compensation issue and I assume that is what you would prefer me to look at. I think when a man comes into the Air Force or the armed forces and you are asking him to do the aviation job and you are going to train him in skills readily transferrable, then you have to make a commitment to him, a certain monetary commitment that you are going to pay him for being one of us in this aviation business. And that commitment has to be long term because you are asking him for a long-term commitment. You are asking him for a 20-year commitment when he is a very young guy. So I think our commitment should be long term as well. I don't believe the bonus is a long-term commitment; the bonus is simply that.

We have a problem today. We are going to throw a bonus at him. I think we should take the aviation career incentive program and look at it over the lifestream earnings of the individual. Let's take a young aviator going through pilot training and we say, if you stay with us for 25 years, the value of your profession, the value of your skills as transferrable as they are is going to be X number of dollars. Let's say $800,000, and that is just for example's sake, if I may. We will take that $800,000 and here is how we are going to give it to you. We are not going to give you much as a lieutenant. When you become a captain and junior major, you are going to be the aircraft commander, you are going to be the leader, you are going to be flying more. We are going to give you a lot then. So we are going to give you $400, $500, $600 a month for flying then because that is the time you are the best at flying. As it goes down, we taper off. We show him a long-term commitment that has a CPI, some sort of ability to respond to the CPI index in times of inflation, and I am not saying full CPI; CPI minus 1 or ½ or something, but something we can say to that guy we are making a commitment to you and here it is long term.

I think as a commander, as a field commander, I can go out to that young guy when he is in his eighth year and about to make a decision and say, "wait a minute, you have a commitment from the government, and this career you are in is worth this amount of money over the long haul." But that is what he is looking at with the airline. He is looking at the airline for the long haul. He knows he can make up to $100,000 flying in an airline. We shouldn't be comparable to that; all I believe we should do is show a commitment to him in the long term. I don't think bonuses do that. I think bonuses for an officer's corps are generally short term.

Mr. HEFNER. Is the Department going to address that in their budget and, is it something that cuts both ways? We know we need to make a commitment to the servicemember, but he also knows if he comes in he is developing skills at his discretion, if he is good at it he can parlay it into a good move on his part.

We can't compete at this stage of the game with the airlines, but there has to be some commitment on the servicemen's part also.

General CASSIDY. Yes, sir. I have pushed that now for three or four years. I was the top personnel officer for the Air Force and I was pushing it then. I am still pushing incentive pay rather than aviation continuation pay, the bonus.

And, yes, I have proposed that and I believe there are some Members of both Houses of the Congress in the personnel subcommittees that are looking at that now. I would like to be active in proposing that. But I agree with you, sir, there has to be some commitment on the young guy's part, and I think we can get that out of them.

We certainly changed their commitment to begin with. Four years ago a pilot would come out of training and would have a six-year commitment with us. We have that up to eight years now.

And what we are looking at is really how much time do we need to amortize the cost of training this guy. We don't want to keep them all and you know that. We can't keep them all. We need some of them in the reserve forces, and frankly need some of them in the commercial airline industry. I am interested in that industry as well. So there is an equilibrium there as well.

BURDENSHARING

Mr. HEFNER. I want to touch on something Mr. Miller raised, which I have been interested in.

We have been talking for several years about burdensharing. Just in the last year or so it has taken on more importance. We had a meeting with some of the NATO people the other day and they are receiving a tremendous subsidy.

I guess we are talking about the Koreans, with their shipbuilding and other industries. It gives an unfair advantage when we pick up an unequal share of the defense of the free world and some of these same countries are outbuilding us in televisions, automobiles, and computers while getting tremendous subsidies to go into their shipbuilding and steel businesses. We need to take a look at burdensharing.

What are you doing about this?

General CASSIDY. Well, I certainly agree with you. It is pretty hard to explain how we are getting beat in the marketplace in one arena and are carrying too big of the burden in another.

I look at it also as for whatever shortfalls I have. I ought to be able to fill up some of those shortfalls from somebody else's capability if there is capability in our allies, and certainly we do that to some degree with some arrangements we have.

In the Civil Reserve Air Fleet we have a NATO reserve air fleet as well. We have identified some over 100 airplanes that would be available for me to use once their national interests are already satisfied. They would be useful to me and we have contracts and agreements with those countries to use them.

For example, Lufthansa has a large fleet of airplanes I would love to have my hands on in wartime and if we were defending Germany, I would have no problem getting my hands on those. So we have done some of those things.

I think, though, that in the burdensharing arena, as I responded to Mr. Miller, I think we have a great opportunity in some very well-crafted bilateral agreements with other countries to make those sorts of agreements that are in our economic interest and in our burdensharing interest as well.

I think we should pursue those. I think our State Department, our Department of Transportation, and Department of Defense ought to have a common cause for that. And I think that would be more effective than just passing a law and saying you got to do this. I am afraid that that wouldn't and doesn't fit with the free enterprise system.

ENFORCEMENT OF TRADE AGREEMENTS

Mr. HEFNER. I agree with you. As a cosponsor and a tireless worker on the textile bill I would like to see us do this with trade agreements. What we want to see is, once we make trade agreements in good faith, that we enforce them. That is where we really get into problems, we make trade agreements and then we just look the other way and it is not enforced. So from time to time we have to throw out the threats of legislation.

For instance, in Germany, or Korea, we have had the occasion to throw out the construction we are doing there, I talked with Woerner in Germany and asked how he would like it if we put in legislation that any construction done in Germany would have to be done by American contractors? He almost had a stroke. But from time to time we have to let our position be known because I get a bit frightened sometime when you visit these places, you talk to our embassy people, our State Department people and they are there for a couple of months and they become locals, they become one of them and they say, "You guys are tearing up our farms with your exercises."

I think the key is making trade agreements, strong trade agreements, and seeing that they are enforced.

General CASSIDY. I think you are right, sir. I certainly agree with that. We are not terribly good at enforcing the laws we have on the books.

As I responded to Mr. Miller's question, I think there are laws on the book which deal with preferential trade in U.S. flag ships that are probably either being avoided by some clever schemer or being ignored. We are not very good at policing things up.

What it does, you know what it is like. Everybody else is playing summer rules and you and I are playing winter rules.

BURDENSHARING

Mr. HEFNER. I am glad to see the administration people finally talking about getting hard-nosed about burdensharing. I think it is long overdue.

General CASSIDY. I do, too, sir. I think we are as good negotiators as anybody in the world if we get a national policy we can negotiate against. We don't have that policy right now and I hope we will have that within this Administration.

Mr. HEFNER. Thank you, General.

Thank you, Mr. Chairman.

Mr. MURTHA. Mr. Dicks.

MC CHORD AIR FORCE BASE

Mr. DICKS. General, you and I had a chance to talk briefly about the situation at McChord Air Force base. Where would the eight C-130's at McChord be transferred to?

General CASSIDY. Sir, those are E model airplanes and we would take those models and put them into the fleet where A models are now. The A models, as you know, are old and virtually not usable to us, certainly not efficiently usable to us. We would retire the A models from the fleet and replace those with the E models now at McChord.

Mr. DICKS. These are in the reserve?

General CASSIDY. Yes, sir, those are in the reserve, the Air Force Reserve and Air National Guard. We fly none in active duty.

Mr. DICKS. As I understand it, we will pick up two C-141's and they will come in the first quarter of fiscal year 1990 to McChord.

General CASSIDY. I can't recall when we have that exactly programmed, but it is 1990. We intend to create the third squadron up there right away as we discussed. Out of the two squadrons that exist with additional two airplanes to create a third squadron and the three squadrons will be larger—excuse me, smaller than the two are now. We intend to do that in 1990.

Mr. DICKS. What we have in my office is that that would have happened and then the aircraft from Norton would come in the second quarter of 1990. Is that accurate?

General CASSIDY. I don't think that is accurate because the plan for the Norton airplanes is based upon the approval of the Base Closure plan and I don't believe that has had final approval through the Congress yet.

Mr. DICKS. It has to be one year. As I recall under the Base Closure Act there is one year before anything happens. Is that correct?

General CASSIDY. I believe so. But that could be done as one of the earlier things, as you know, because first of all it would be good to start down loading, and McChord can accept those. So the point is that would be one of the early things we would do, but we do not have a specific plan for doing that yet since we don't have the plan put together.

We don't have the approvals. I would say if you have any date now for the squadron coming to McChord, it would not be correct or accurate because we are not to that point yet.

Mr. DICKS. In your judgment is the conversion tied to overall plans including those to be transferred to McChord from Norton as part of the Base Closure recommendations, is it consistent with later assignment of C-17's potentially to McChord?

General CASSIDY. I think all that is consistent, absolutely. We want to posture ourselves to have McChord as one of our principal airlift bases on the West Coast and it is now and will continue to be. For lots of reasons, its geographic location and proximity to Army units, it will move next door to Fort Lewis. So all of that says that is one of our strategic points.

Moving more squadrons there is consistent, but when the final decisions are made on the out-year beddown of the C-17, McChord will be in a very, very good position to accept those sorts of things, yes, sir.

I want to state, as you and I have talked it is a little early to make that decision because those airplanes would not be available until the mid 1990's.

C-17 COSTS

Mr. DICKS. I appreciate that answer. There seems to be some confusion on the actual cost for the C-17—I wanted to give you a chance to correct this on the record, too. On January 24th in a Washington Post article headed "Hard Times Ahead Over Hardware" called the C-17 a plane that costs an average of $483 million each when spare parts and hangar costs are included. That documentation shows a program unit cost including RDT&E and military construction of $7 million each. What is the correct figure, General? Are you confident it can be sustained without sacrificing performance?

General CASSIDY. Absolutely. The figure of $483 million an airplane is ludicrous.

Mr. DICKS. It looks like they took the money in the budget for the first six aircraft and divided it by six.

General CASSIDY. They took all of the military construction and everything else, everything, and divided it by the first six airplanes. That is—well, to write that in a newspaper of the United States of America is irresponsible. The unit flyaway cost of the airplane as we consider it in then-year dollars is less than $125 million a copy. So it will be between $115 million and $125 million a copy and that, as you know, will depend upon the learning curve costs and amounts of money we can save because of the technology we are putting into the production of that airplane.

So I will state on the record, it will be between $115 million and $125 million a copy and that number of $400 some million——

Mr. DICKS. You can amplify that for the record, lay it out so when we go to the floor if there is any criticism, we can be in a position to answer.

General CASSIDY. I have got the numbers and I will provide that calculation. I have got them with me. I will provide the calculation for the record.

[The information follows:]

The C-17 unit flyaway (includes airframe, engines, and avionics) is $125 million, however, we are looking at cost savings in production efficiencies and management initiatives that would bring the unit flyaway cost down to around $118 million.

DELETION OF C-17 FROM FY 1990

Mr. DICKS. As you know, the press has also said that within the Pentagon there has been some opposition, that Undersecretary Costello had suggested deleting the C-17. Would you like to comment on that situtation? Is there unity behind the C-17?

General CASSIDY. I would, and I would categorically say there is unity behind the program. He took a position which was fairly rational. What he said is going into the Defense Resources Board last year is that we need to look at all the big ticket items and see if they are necessary.

A big ticket item this year is the C-17, so it is rational to look at it. When we looked at it, when the CINCs and I were sitting at a table much like the configuration of this, I had all the CINCs, nine of us were lined up. When the notion came up, Mr. Carlucci asked, his words were "is anybody seriously considering not building the C-17 after all of the time we have gone in developing this airplane?" And I said, well, sir, there is a consideration of that. And all of the CINCs chimed in and said, let's nip that in the bud now, this is the only program in DOD that has full Service support and all the CINCs support it. It is not a program of the Air Force or CINCTRANS or someone else, it is a program of all of the Services. Of all of the programs that will be challenged this year and the years to come, this will be one program that will have full support and I believe the full support of the building, the Pentagon.

Now, there are always a few nay sayers in there and there is always someone who will come up with a calculation of $400 million, but I would offer when we are able to take those people on one on one and prove them to be wrong and show the operational utility of the airplane as well as costs——

Mr. DICKS. There are some who thought we should build the C-17 instead of those 50 C-5's. I wish someone would have reminded Mr. Carlucci he had a chance early on to have accelerated this program. We wouldn't be sitting here at this point with the budgetary problems we have. We would have them out in the field.

OPERATIONAL UTILITY OF C-17

General CASSIDY. Could I say one other thing on that, Mr. Dicks? I tried to put in my materials the operational utility of the airplane. Being an operator, I think I probably am expected to be the expert on that. I put several pages together that I gave to Mr. Costello on the operational utility, of this airplane and what it is going to buy us. You can't put that in cost comparison figures. I would like to deliver that to your staff and make it a matter of record.

Mr. DICKS. I would like to have that in the record, if that is all right, Mr. Chairman.

Mr. MURTHA. Without objection.

Mr. DICKS. One of the major points that I think needs to be pointed out is the number of fields in Europe that you can take the C-17 to versus the C-5. I mean it is very substantial.

General CASSIDY It is very significant, a factor of five to one.

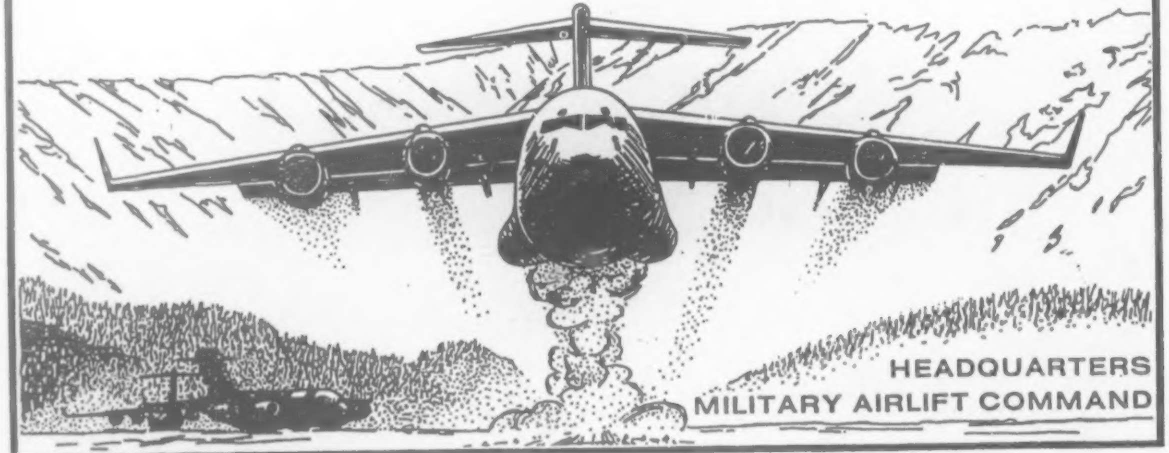
Mr. DICKS. And also the C-5 has a problem of blocking an airfield to be used once you have one of them landed there. As I recall, in some of those fields which are very important to us, some of our major air bases, one C-5 could jam up the whole thing and you could have nine C-17's at the same base operating at the same time. Isn't that also an issue?

General CASSIDY. Your memory is very good and the paper I am going to enter for the record contains this information. If I may characterize that in general terms, the C-5 takes six acres to park it because you can't turn it around. It is analogous, you can't back it up rather—it is analogous to an 18-wheel truck going up to a store and not being able to back into the loading zone. You would require a parking place six, eight times the size if you were to have that kind of airplane.

We designed the C-17 to be able to back up fully loaded with a 2.5 percent grade. What we are interested in, in all sorts of lift, airlift, sealift and everything, is through-put. The inherent flexibility of airplanes in the air or the inherent great capacity of the ships at sea is apparent to everyone, but what is not apparent is if it takes me a long time to off-load that airplane or a long time to off-load the ship, where I don't have the right kind of port to do it, everything stops, slows down. I have to have a lot of parking space. I need through-put. I need airplanes and ships I can move things in and out of quickly and every minute that the airplane is sitting on the ground and I am not using it, that is wasted capacity. Therefore, the C-17 is designed for through-put. And that is the point that you have made and that is the point I hope to make in this book on operational utility which I am pleased to enter for the record.

[The information follows:]

C-17



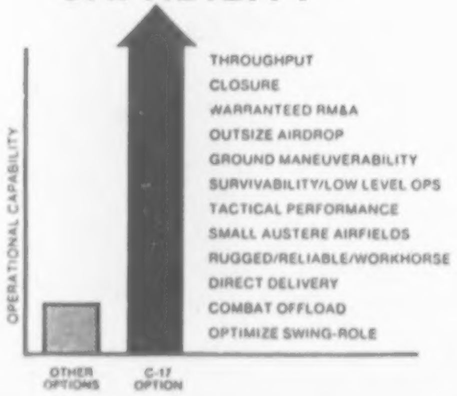
HEADQUARTERS
MILITARY AIRLIFT COMMAND

(SLIDE 1)

OFFSET
CAMERA COPY

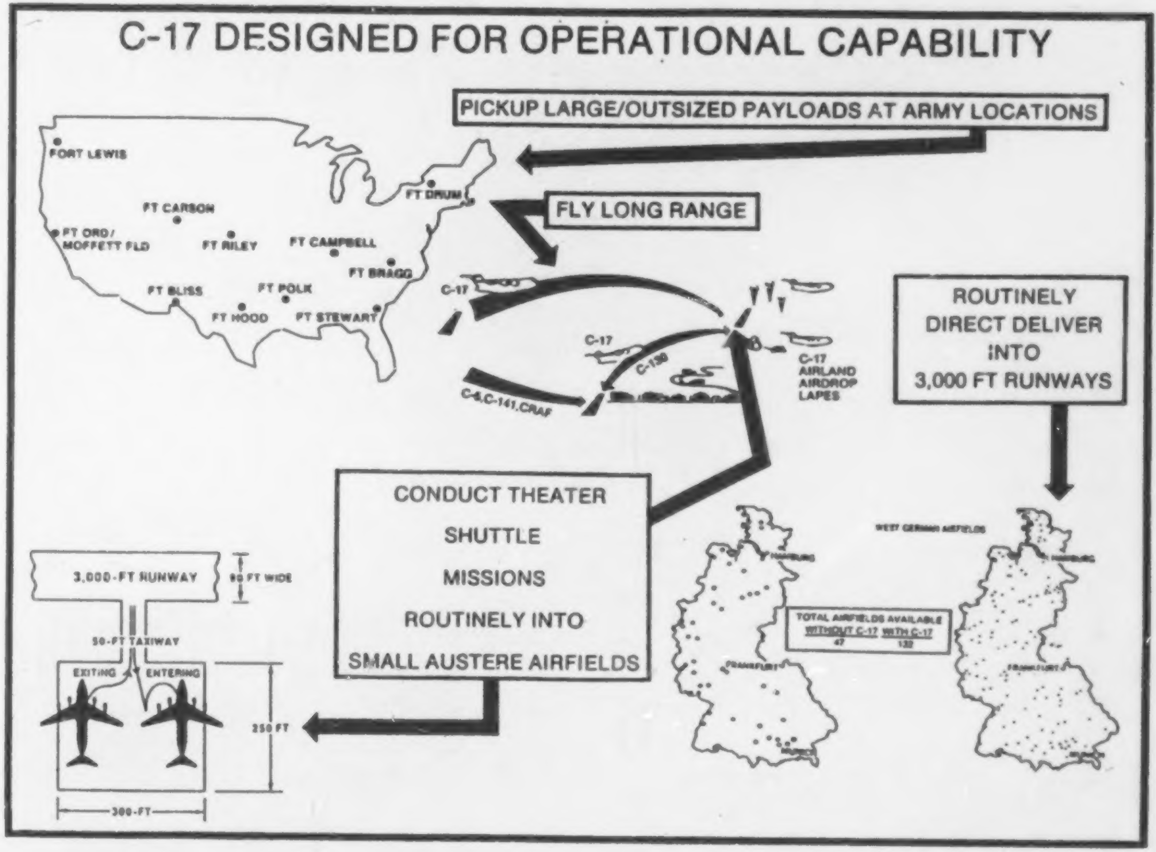
C-17

OPERATIONAL CAPABILITY



THROUGHPUT
CLOSURE
WARRANTEED RM&A
OUTSIZE AIRDROP
GROUND MANEUVERABILITY
SURVIVABILITY/LOW LEVEL OPS
TACTICAL PERFORMANCE
SMALL AUSTERE AIRFIELDS
RUGGED/RELIABLE/WORKHORSE
DIRECT DELIVERY
COMBAT OFFLOAD
OPTIMIZE SWING-ROLE

(SLIDE 2)



C-17 DESIGNED FOR OPERATIONAL CAPABILITY

PICKUP LARGE/OUTSIZED PAYLOADS AT ARMY LOCATIONS

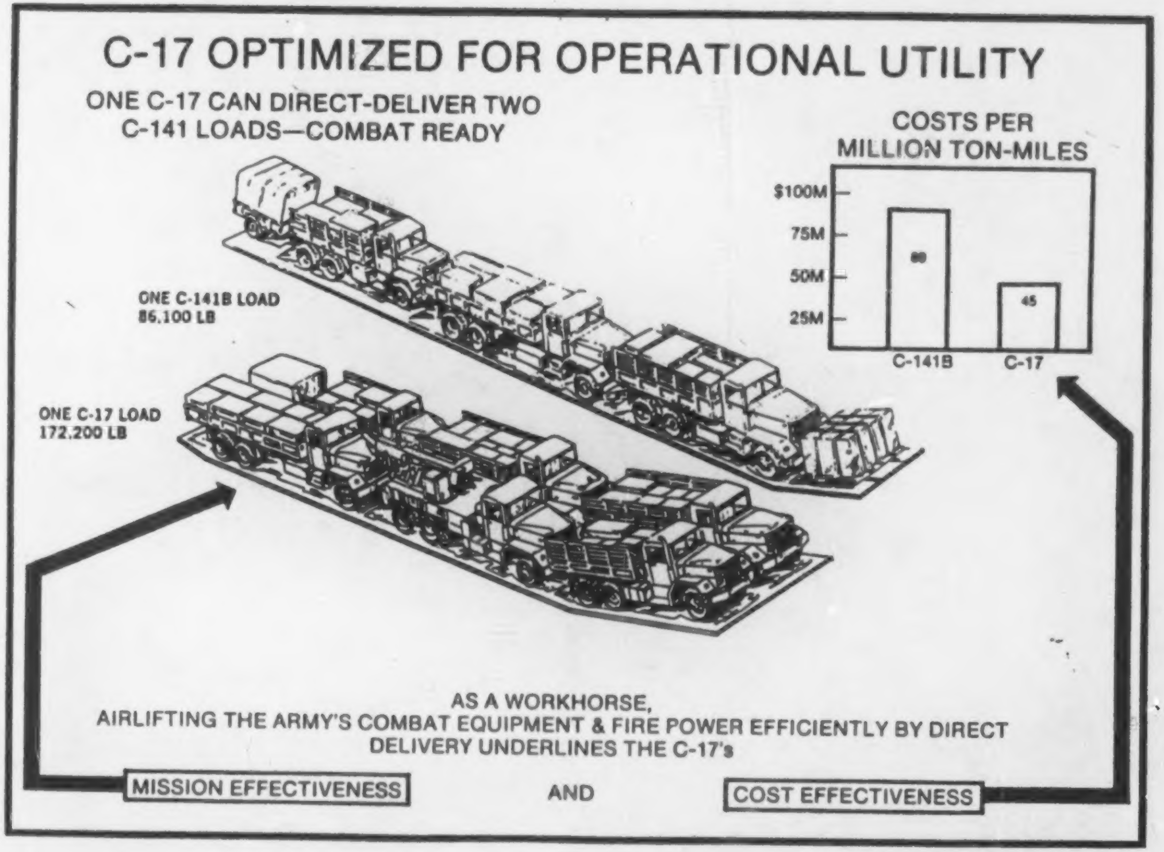
FLY LONG RANGE

ROUTINELY
DIRECT DELIVER
INTO
3,000 FT RUNWAYS

CONDUCT THEATER
SHUTTLE
MISSIONS
ROUTINELY INTO
SMALL AUSTERE AIRFIELDS

FORT LEWIS
FT CARSON
FT ORD/
MOFFETT FLD
FT RILEY
FT CAMPBELL
FT DRUM
FT BRAGG
FT BLISS
FT POLK
FT HOOD
FT STEWART
C-17
C-17
C-130
C-5,C-141,CRAF
C-17
AIRLAND
AIRDROP
LAPES
WEST GERMAN AIRFIELDS
HAMBURG
FRANKFURT
MUNICH
TOTAL AIRFIELDS AVAILABLE
WITHOUT C-17 WITH C-17
47 132
HAMBURG
FRANKFURT
MUNICH
3,000-FT RUNWAY
90 FT WIDE
50-FT TAXIWAY
EXITING
ENTERING
250 FT
300-FT

(SLIDE 3)



C-17 OPTIMIZED FOR OPERATIONAL UTILITY

ONE C-17 CAN DIRECT-DELIVER TWO
C-141 LOADS—COMBAT READY

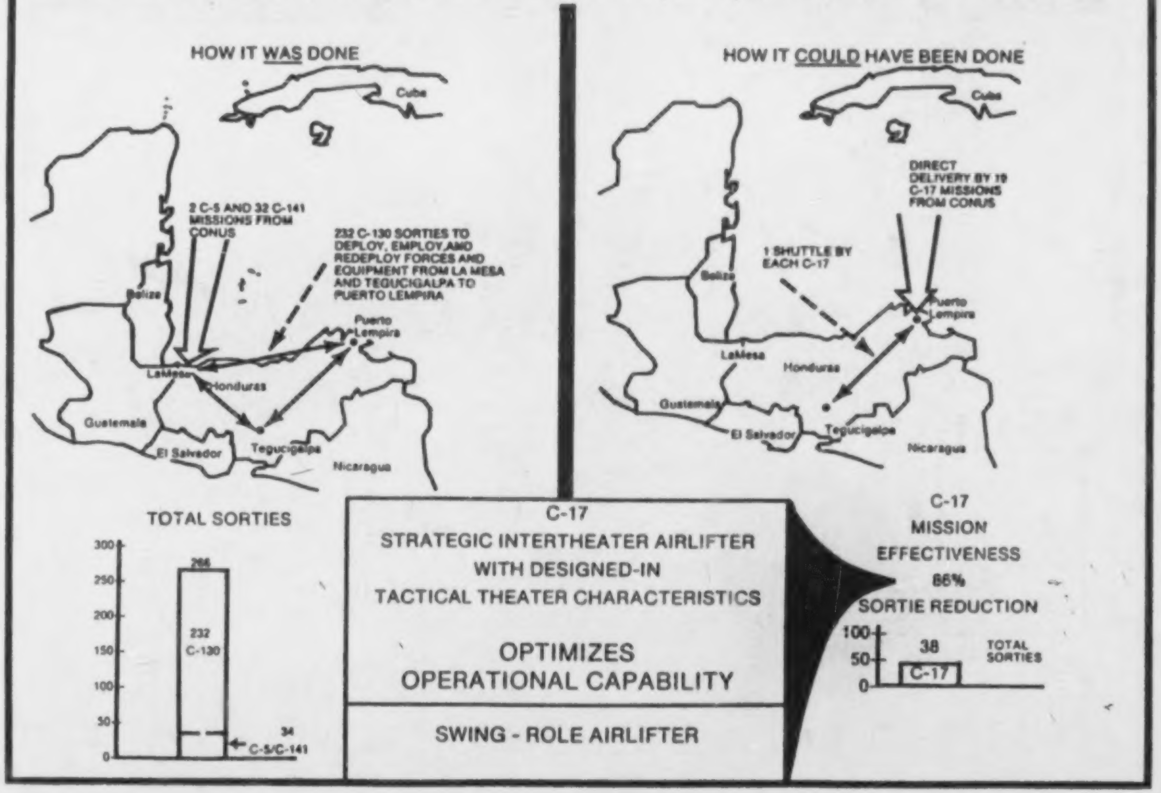
ONE C-141B LOAD
86,100 LB
ONE C-17 LOAD
172,200 LB
COSTS PER
MILLION TON-MILES
$100M
75M
50M
25M
45
C-141B
C-17

AS A WORKHORSE,
AIRLIFTING THE ARMY'S COMBAT EQUIPMENT & FIRE POWER EFFICIENTLY BY DIRECT
DELIVERY UNDERLINES THE C-17's

MISSION EFFECTIVENESS AND COST EFFECTIVENESS

(SLIDE 4)

OPERATIONAL REQUIREMENTS OF AHUAS TARA 83


HOW IT WAS DONE
Cuba
2 C-5 AND 32 C-141 MISSIONS FROM CONUS
232 C-130 SORTIES TO DEPLOY, EMPLOY AND REDEPLOY FORCES AND EQUIPMENT FROM LA MESA AND TEGUCIGALPA TO PUERTO LEMPIRA
Belize
Puerto Lempira
LaMesa
Honduras
Guatemala
El Salvador
Tegucigalpa
Nicaragua
HOW IT COULD HAVE BEEN DONE
Cuba
DIRECT DELIVERY BY 19 C-17 MISSIONS FROM CONUS
1 SHUTTLE BY EACH C-17
Belize
Puerto Lempira
LaMesa
Honduras
Guatemala
El Salvador
Tegucigalpa
Nicaragua
TOTAL SORTIES
300
250
200
150
100
50
0
266
232
C-130
34
C-5/C-141
C-17
MISSION
EFFECTIVENESS
86%
SORTIE REDUCTION
100
50
0
38
C-17
TOTAL SORTIES

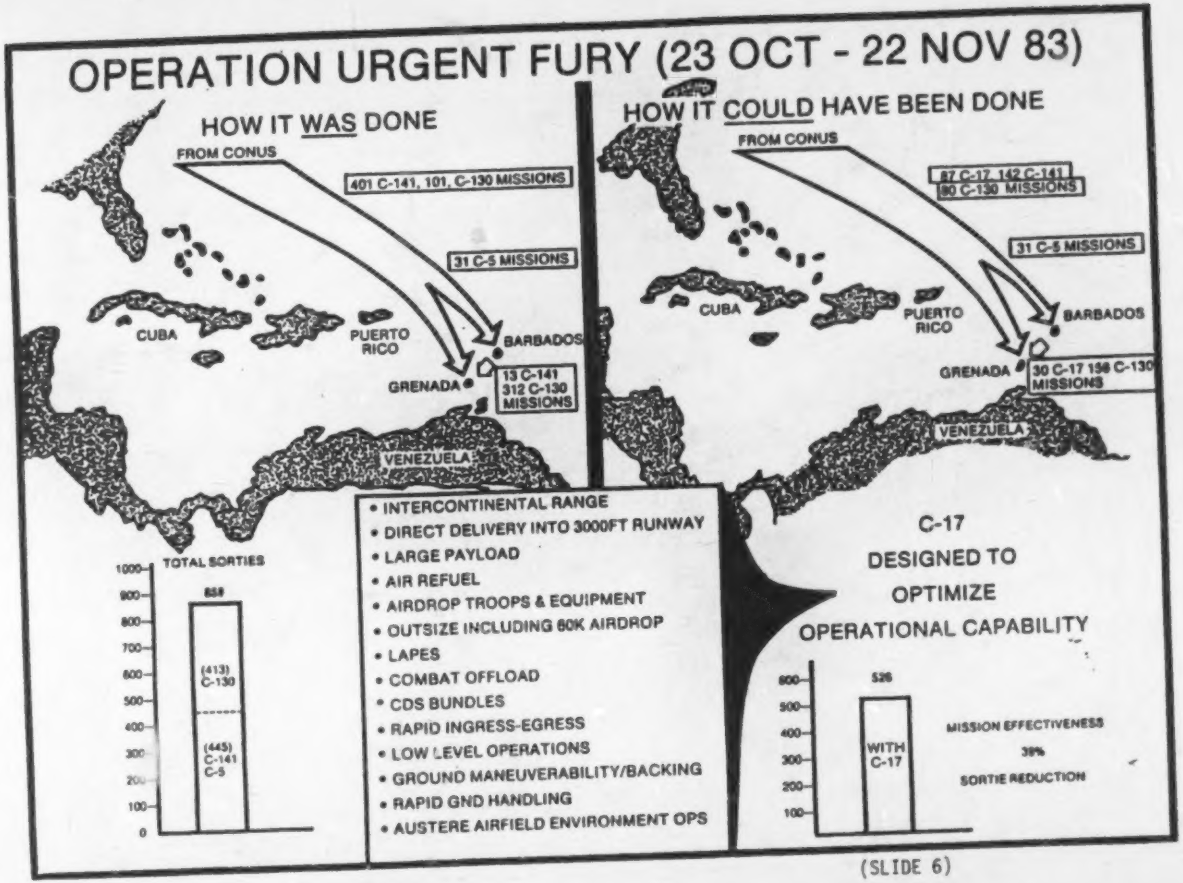
C-17

STRATEGIC INTERTHEATER AIRLIFTER
WITH DESIGNED-IN
TACTICAL THEATER CHARACTERISTICS

OPTIMIZES
OPERATIONAL CAPABILITY

SWING - ROLE AIRLIFTER

(SLIDE 5)



OPERATION URGENT FURY (23 OCT - 22 NOV 83)

HOW IT WAS DONE
FROM CONUS
401 C-141, 101, C-130 MISSIONS
31 C-5 MISSIONS
CUBA
PUERTO RICO
BARBADOS
GRENADA
13 C-141 312 C-130 MISSIONS
VENEZUELA
TOTAL SORTIES
858
(413) C-130
(445) C-141 C-5
1000
900
800
700
600
500
400
300
200
100
0
HOW IT COULD HAVE BEEN DONE
FROM CONUS
87 C-17, 142 C-141
80 C-130 MISSIONS
31 C-5 MISSIONS
CUBA
PUERTO RICO
BARBADOS
GRENADA
30 C-17 136 C-130 MISSIONS
VENEZUELA
526
WITH C-17
600
500
400
300
200
100
MISSION EFFECTIVENESS
39%
SORTIE REDUCTION

- INTERCONTINENTAL RANGE
- DIRECT DELIVERY INTO 3000FT RUNWAY
- LARGE PAYLOAD
- AIR REFUEL
- AIRDROP TROOPS & EQUIPMENT
- OUTSIZE INCLUDING 60K AIRDROP
- LAPES
- COMBAT OFFLOAD
- CDS BUNDLES
- RAPID INGRESS-EGRESS
- LOW LEVEL OPERATIONS
- GROUND MANEUVERABILITY/BACKING
- RAPID GND HANDLING
- AUSTERE AIRFIELD ENVIRONMENT OPS

C-17

DESIGNED TO

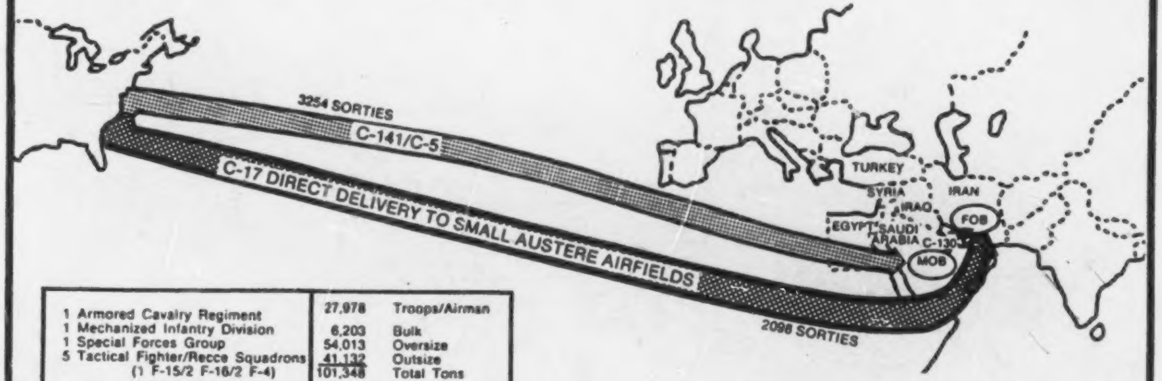
OPTIMIZE

OPERATIONAL CAPABILITY

(SLIDE 6)

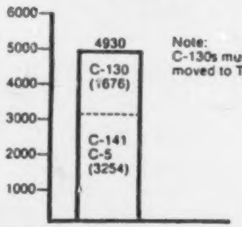
OPERATIONAL UTILITY IN DETERRENCE & WARFIGHTING

RAPID DEPLOYMENT TO MIDDLE EAST OIL FIELDS


3254 SORTIES
C-141/C-5
C-17 DIRECT DELIVERY TO SMALL AUSTERE AIRFIELDS
2098 SORTIES
TURKEY
SYRIA
IRAQ
IRAN
EGYPT
SAUDI ARABIA
C-130
FOB
MOB

1 Armored Cavalry Regiment	27,978	Troops/Airman
1 Mechanized Infantry Division	6,203	Bulk
1 Special Forces Group	54,013	Oversize
5 Tactical Fighter/Recce Squadrons	41,132	Outsize
(1 F-15/2 F-16/2 F-4)	101,348	Total Tons

TOTAL SORTIES



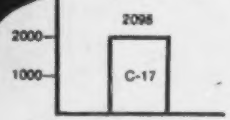
Note:
C-130s must be moved to Theater

C-17 MISSION EFFECTIVENESS

- Delivering combat forces near the final destination
  - combat forces faster
  - outsize cargo where it is needed
- Reducing the demand for trainshipment
  - the demand for more intratheater airlift
  - congestion at major airfields
- Improving the redeployment of prepositioned equipment
  - the forward movement of airlift cargo
  - the reliability of the airlift system

BOTTOM LINE: THROUGHPUT

67%
SORTIE REDUCTION



(SLIDE 7)

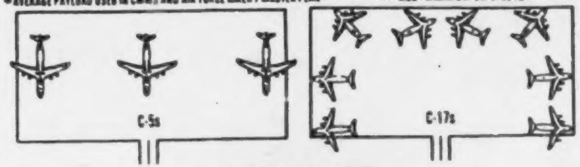
THROUGHPUT--THE KEY TO OPERATIONAL CAPABILITY

C-17 INCREASES THROUHPUT

	PAYLOAD*	X	MOG**	X	ACFT/DAY	=	THRUPUT
C-5	68.9		3		7.3	=	1509 T/D
C-17	48.3		8		10.4	=	4019 T/D

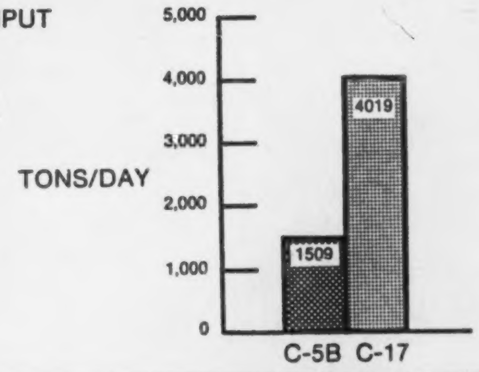
*AVERAGE PAYLOAD USED IN CMMS AND AIR FORCE AIRLIFT MASTER PLAN

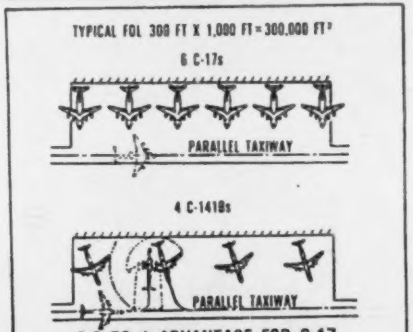
** MOG MAXIMUM ON GROUND



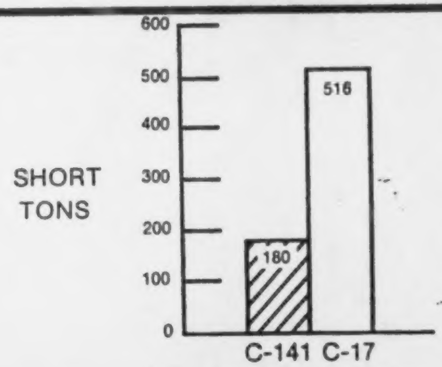
TYPICAL 500,000 SQ FT RAMP

2.7 TO 1 ADVANTAGE FOR C-17




TYPICAL FOL 300 FT X 1,000 FT = 300,000 FT²
6 C-17s
PARALLEL TAXIWAY
4 C-141Bs
PARALLEL TAXIWAY

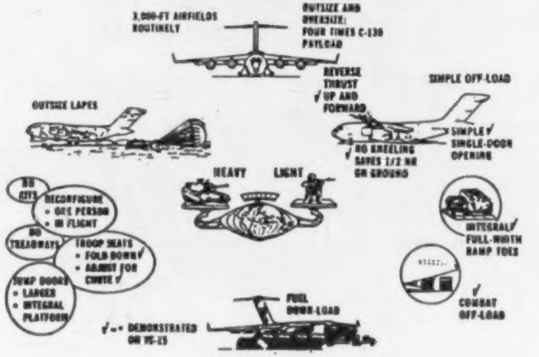
2.9 TO 1 ADVANTAGE FOR C-17



(SLIDE 8)

THE C-17--AN OPERATIONAL DESIGN

THE C-17 HAS UNIQUE MILITARY OPERATIONAL AND DESIGN FEATURES

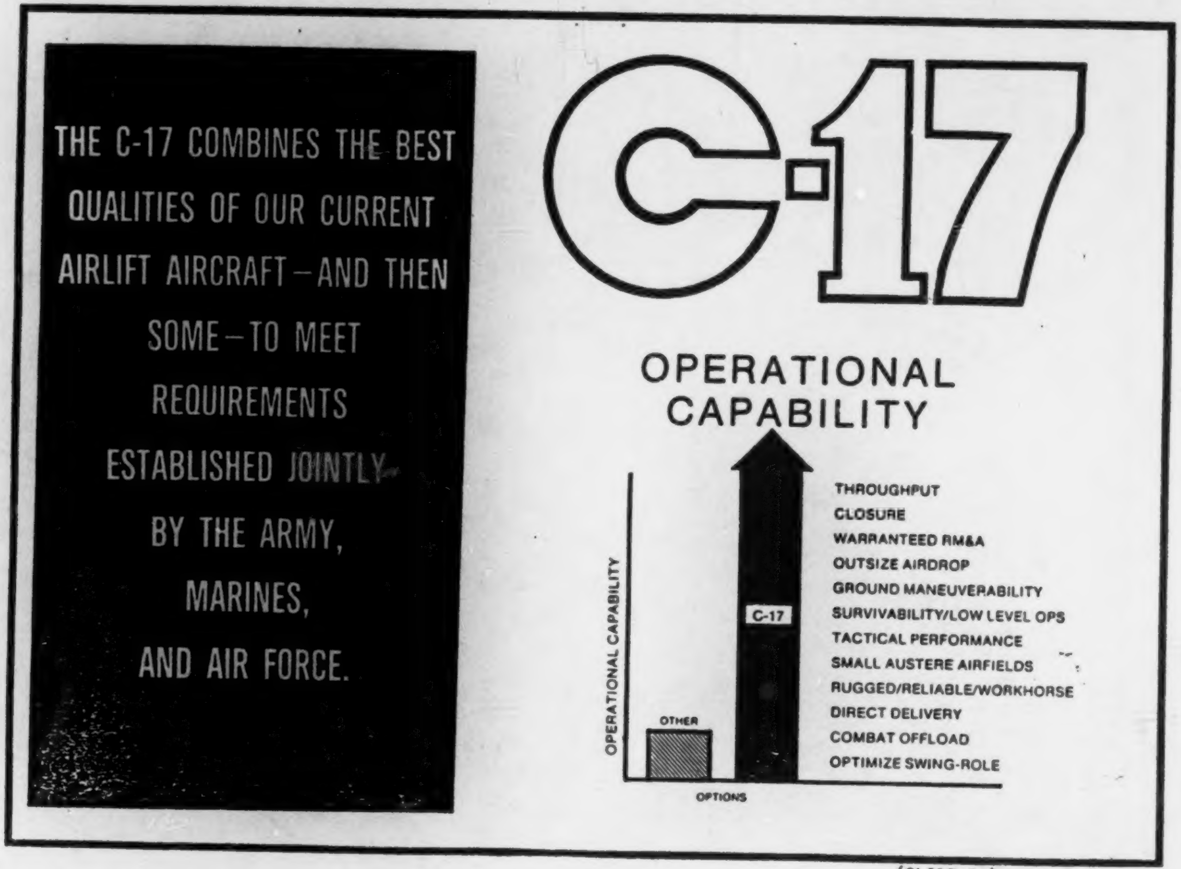

3,000-FT AIRFIELDS ROUTINELY
OUTSIZE AND OVERSIZE: FOUR TIMES C-130 PAYLOAD
REVERSE THRUST ✓ UP AND FORWARD
SIMPLE OFF-LOAD
OUTSIZE LAPES
SIMPLE ✓ SINGLE-DOOR OPENING
✓ NO KNEELING SAVES 1/2 HR ON GROUND
HEAVY
LIGHT
NO ATTS
RECONFIGURE • ONE PERSON • IN FLIGHT
NO TREADWAYS
TROOP SEATS • FOLD DOWN ✓ • ADJUST FOR CHUTE ✓
JUMP DOORS • LARGER • INTEGRAL PLATFORM
INTEGRAL/ ✓ FULL-WIDTH RAMP TOES
✓ COMBAT OFF-LOAD
FUEL DOWN-LOAD
✓ = DEMONSTRATED ON YC-15

THE CINC'S VIEW

"TODAY THE C-17 REPRESENTS THE ONLY WAY TO ACHIEVE THE STRATEGIC AND TACTICAL MOBILITY THE ARMED FORCES REQUIRE...
THE COMMANDERS OF THE UNIFIED AND SPECIFIED COMMANDS HAVE CLEARLY STATED THEIR NEED FOR THE C-17 DURING RECENT CONGRESSIONAL HEARINGS..."

ADM WILLIAM J CROWE, JR
CHAIRMAN
JOINT CHIEFS OF STAFF

(SLIDE 9)



THE C-17 COMBINES THE BEST
QUALITIES OF OUR CURRENT
AIRLIFT AIRCRAFT—AND THEN
SOME—TO MEET
REQUIREMENTS
ESTABLISHED JOINTLY
BY THE ARMY,
MARINES,
AND AIR FORCE.

C-17

OPERATIONAL CAPABILITY

- THROUGHPUT
- CLOSURE
- WARRANTEED RM&A
- OUTSIZE AIRDROP
- GROUND MANEUVERABILITY
- SURVIVABILITY/LOW LEVEL OPS
- TACTICAL PERFORMANCE
- SMALL AUSTERE AIRFIELDS
- RUGGED/RELIABLE/WORKHORSE
- DIRECT DELIVERY
- COMBAT OFFLOAD
- OPTIMIZE SWING-ROLE

(SLIDE 10)

INTRATHEATER CAPABILITY OF C-17

Mr. Dicks. The other thing is you have intratheater capability, you say you have with the C-5 but not realistically. The C-17 gives you that intratheater capability.

General Cassidy. That is the hardest thing to quantify because that is so scenario dependent. In this case it is very true. We are going to be fighting, out gunned and out manned and that is fine, we can do that. We are good. But we have got to be able to move and react to the fighting situation. The C-17 gives you that in the capability for the theater movement and you can't predict where that is going to be. That is what is called the friction of war. You will never be able to predict what the enemy is going to do. You have to consider him to be a smart and aggressive enemy. Therefore, we can give that fighting commander the flexibility and he can win.

Mr. Dicks. I yield.

Mr. Livingston. Thank you. General, I have been a supporter of the C-17 but I have heard the argument that when you had the C-5's working in tandem with the C-130's, and C-130's are much cheaper a shot versus the C-17, that we would have a lot cheaper access to the front with C-130's then you will have with the C-17's. Do you want to respond to that?

General Cassidy. That has been a question brought up by lots of people and even young aviators—this is the way they pose the question. I would like to make sure we are answering the same question. They say are you really going to put $125 million airplanes up close to the front and I look them square in the eye and I say, you bet your boots I am going to do that, when our nation is at risk I will use whatever we need to do that. Plus there is another issue beyond risks. The issue is if I have to use a C-130, I will use four C-130's. There are five crew members on every C-130. That is 20 crew members I will put at risk. On the C-17, I put three crew members at risk. Crew members are what make airplanes go.

Mr. Dicks. Isn't the C-17 much more capable of landing and taking off?

General Cassidy. Its performance is much better. The point of this is risk and the point is I'll risk three crew members and a $125 million airplane before I'll risk five crew members. That is the way we military people should plan. It is a great question and we have had a lot of debate on it. And I have always won, because I think it is right. And you are right, the point that you make, sir, Mr. Dicks, on going other places, you have the ability, and we will know where the Stingers or concentrations of things are, and the C-17 gives us the ability to go to more places, all we do is adjust where it is going. It gives us the flexibility inherent to being able to go more places. All of those things working together I think solve the problem.

Mr. Dicks. What should be our long term objective for enhancing airlift after C-17, are you considering a next generation Air Force transport or are you looking at commercial aircraft, or a commercial aircraft derivative?

General Cassidy. Our long-term objective in enhancing airlift is to provide a credible mix of strategic and tactical airlift platforms that will enable us to meet the identified strategic mobility and theater airlift needs. With the C–17, we will meet our strategic mobility programming goal of 66 million-ton miles. However, to address the theaters tactical airlift needs, we will need to find a replacement for our aging C–130 tactical airlift fleet. We have been studying this problem under the auspices of the Advanced Transport Technology Mission Analysis (ATTMA) program and are about to further articulate this requirement with a formal statement of need.

Because of the nature of tactical airlift, and its need to operate out of small, rough and mostly austere landing fields, a strictly commercial aircraft would not meet our needs. However, a commercial aircraft derivative, especially one that specifically addressed these tactical airlift requirements, could be a viable player in any acquisition action to replace our tactical airlift fleet.

Mr. **Murtha**. Thank you very much. Mr. Dicks and Mr. Young have some questions for the record. The committee will stand adjourned until 2:00 o'clock.

[Clerk's note.—Questions submitted by Mr. Dicks and the answers thereto follow:]

SEALIFT SHORTFALL

Question. Some have argued that we can simply rely on our allies to supply needed sealift. Do they have sufficient capability to offer and what limitations would there be on its availability in a timely manner?

Answer. The U.S. has agreements with NATO allies to provide some 400 dry cargo vessels in time of mobilization. A procedure exists under the aegis of the Maritime Administration to exercise those agreements. In addition, NATO allies have also identified tanker and passenger assets for possible use. Arrangements exist to use some South Korean vessels in certain situations. The U.S. has no arrangements beyond these to rely on sealift from our allies. Potentially, a number of our allies have modern, militarily useful ships in their merchant fleets that could augment our sealift capability. If the allied nations found themselves threatened, it could be safely assumed that their flag fleets would be made available. On the other hand, there is no guarantee on the timeliness of receiving those assets, nor any guarantee that the ships would be placed at our disposal at all, if our allies were not directly threatened or affected by the contingency. As history has shown, it is both prudent and necessary to maintain a strong U.S.-flag merchant marine to ensure the ability to carry out our national objectives.

Question. What is the current status of CRAF?

Answer. The Civil Reserve Air Fleet (CRAF) is a voluntary organization which provides a significant amount of passenger and cargo airlift augmentation to the Department of Defense (DOD). In March of 1989, the fleet will mark its 37th year of existence. It currently contains 475 aircraft from 30 different participants. In our most critical area of need, intertheater movement of passengers and cargo, the CRAF provides 159.14 million-passenger-miles per day and 13.7 million-ton-miles per day (MTM/D) of capability toward our 66 MTM/D programming goal. We continue to do all we can to encourage the commitment of suitable aircraft to the CRAF. Our incentive for CRAF membership comes from the peacetime business the Military Airlift Command distributes for the Department of Defense. Carriers qualify for a share of that business based on the capability they commit to the CRAF and we are working to increase the value of that incentive by making government business as attractive as possible. Our current major initiative is the use of multi-year contracting for our international airlift services contract for Jan 90 through Sep 92. This provides the carriers a more solid base on which to plan their business strategy and thereby makes our business incentive more valuable.

We are also working to expand participation in the CRAF Enhancement Program. This program increases the bulk and oversize airlift capability of the CRAF by adding cargo convertibility features to new or existing long-range passenger aircraft. Current contracts will provide 3.4 million-ton-miles per day (2.4 million ton miles have already been delivered, 1.0 million ton miles will be delivered between now and Nov 89). On 30 Jan 89, we submitted a report to the Chairmen of the HAC, SAC, HASC, and SASC describing our proposal for expanding the scope of the current program. Our objective is to stimulate greater participation and thereby make a greater contribution to reducing the airlift shortfall. The proposed program includes initiatives such as secure radios and IFF equipment which will ensure the interoperability and utility of all capability committed to the CRAF. This comprehensive package is one more example of our extensive commitment to maximizing the airlift augmentation we get through the CRAF.

C-130S AT MC CHORD AIR FORCE BASE

Question. Concurrent with the budget a number of force structure changes were announced by the Administration. Among them are changes at McChord Air Force Base in my district. Among the changes involved is the conversion of the 36th Tactical Airlift Squadron from C-130 to C-141 aircraft. Because this will be accompanied by a reduction in squadron size, it will mean only a net increase of two C-141s on base and loss of the remaining tactical airlift assets, 8 C-130s West of the Mississippi. As Commander of the US Transportation Command, were you consulted on these moves?

Answer. Yes. Force structure changes of this nature involve a long process in which all impacts and options are reviewed. This process includes inputs from the Air Staff, USTRANSCOM, and HQ MAC.

Question. What is the rationale for deleting the C-130s? Is it strictly cost or is it related to back-up inventory? What impact will this have on ability to meet airlift training requirements?

Answer. The reduction in active C-130 force structure is driven by fiscal constraints. While past cuts were painful and represented an overall reduction in active theater airlift capability, they enabled us to fully equip the back-up inventory (10 percent) and modernize units of the Air Reserve Component (ARC). Fiscal year 1990 cuts are also fiscally driven and aircraft will modernize the Air National Guard (ANG). Since manning and flying hours are reduced along with PAA, aircrew training requirements are reduced as well.

Question. Were alternatives, including reductions in C-130s stationed in Alaska considered? If so, what were your recommendations? If not, why not?

Answer. In fiscal year 1990, we are faced with a fiscally driven 30 PAA reduction in the active C-130 force structure. In light of the magnitude of these reductions, other bases are affected as well. In addition to McChord, Dyess and Clark AB RP will lose C-130s. All C-130 units were considered as possible locations for force structure reductions. One of MAC's options for a portion of these cuts included the drawdown of the 17 TAS in Alaska.

[CLERK'S NOTE.—End of questions submitted by Mr. Docks. Questions submitted by Mr. Young and the answers thereto follow:]

AVIATION CONTINUATION PAY

Question. It is obvious from your statement to the committee that you are a strong proponent of aviation continuation pay (ACP) to help retain military pilots. You note in your remarks that 47 percent of eligible MAC pilots have signed up for the continuation pay bonus, committing themselves to extended active duty. From your discussions with pilots, how will continuation pay affect pilot retention? What has been the pilots' reaction to the bonus system, or is it too early to tell?

Answer. I think the bonus will have a positive impact on retention. If we get a 90 percent acceptance rate, we will cut the projected pilot deficit by 50 percent by 1992. We're currently at 69 percent Air Force wide (65 percent at MAC). It's too early to tell the impact of ACP on our retention rate. We still have over 500 pilots in MAC who will be eligible for ACP between now and 30 September 1989.

Question. One problem I see in the continuation pay system is that it will only be paid to pilots up until they complete their 14 years in service. My understanding is that the Department believes that the incentive of needing only six more years of active duty to receive full retirement benefits will entice aviators to remain in the military without the need for continuation pay. What is your feeling about cutting off continuation pay after 14 years? Can pilots cope with the budgetary problem of receiving a bonus for "X" number of years then having that bonus taken away once they complete 14 years of service? Will this cutoff be counter productive to our efforts to retain military pilots?

Answer. We conducted a Computer Assisted Telephone Interview (CATI) in January 1988. Given the option of deferred payments or an up front, lump sum bonus, pilots chose the lump sum overwhelmingly. They're anxious to use this money now to buy houses, cars, or set up education funds for children, but they realize the bonus is near term. So far, we've received no complaints from bonus takers that their pay will eventually decrease. Those pilots we've talked to are investing the bonus in their future.

C–17

Question. With theater nuclear force reductions in progress how does increased reliance on conventional forces change your need for the C–17 airlifter?

Answer. The increased reliance on conventional forces makes the C–17 even more important to the nation's mobility efforts. As welcome as the apparent lessening of tensions with the Soviets and nuclear force reductions are, we do not foresee a major change in our national strategy of forward defense. This is simply because the alternative of fighting on our own soil is unacceptable. Theater nuclear force reductions have perhaps changed the face of the Soviet threat, but the threat still exists, and we will have to rely even more heavily on our conventional forces to counter the threat. We are unable now to meet our commitments to NATO to provide additional divisions to Europe in ten days. Without the nuclear deterrent in Europe, the requirement to move conventional forces to the theater faster becomes even more critical. The C–17 will therefore become the workhorse in this effort and its importance magnified in a global conventional scenario.

Question. How do you view the necessity for the C–17 if we must bring home some of our forward deployed forces?

Answer. Our airlift goal of 66 MTM/D was developed with our forward deployed forces in place. As long as our national strategy remains as "forward defense" and our commitments to support our allies and friends are not changed, bringing forward deployed forces home increase the lift requirement and places greater importance of the C–17.

Question. Would the C–17 satisfy your need to increase flexibility for direct delivery of augmenting forces and for intra-theater movement to areas of greater need?

Answer. By virtue of its ability to perform in either a strategic on theater airlift role, the C–17 will satisfy our need for increased flexibility for direct delivey to forward deployed troops. It can swing from a strategic, or inter-theater role, to a theater role to employ and then sustain theater forces. In sustainment, because it can operate out of three times as many airfields as our other strategic airlifters, the C–17 can deliver large quantities of needed munitions, fuel, and outsized cargo directly to forward areas. We have never had an aircraft with this capability. This unique ability to perform the direct delivery mission will complement the overall capabilities of our existing C–5, C–141, C–130, KC–10, and CRAF fleets. The C–17 is the key to achieving the goal of 66 MTM per day capability, and it is for now not just the best solution, but is the only solution to meeting the airlift requirement of the combatant CINCs.

[CLERK'S NOTE.—End of questions submitted by Mr. Young. Questions submitted for the record and the answers thereto follow:]

MISSION OF THE U.S. TRANSPORTATION COMMAND

Question. The mission of the United States Transportation Command (TRANSCOM) is to provide global air, land, and sea transportation to meet national security needs. The TRANSCOM is responsible for the transportation aspects of worldwide mobility planning, operation of the Joint Deployment System (JDS), development of procedures for a transition to war, and centralized wartime traffic management.

We understand that when the General Accounting Office stated in a September 1988 report that mobilization was a part of your mission, the JCS questioned them on the use of that term because they did not agree that mobilization was part of your mission.

What is your role in the preparation of the budget? Do you have a role in developing the budget requests for the Services' transportation organization? If not, why?

Answer. Since our activation in 1987 we have had numerous and sufficient opportunities to participate in the preparation of both the DOD budget and our components' budgets. In November 1987, we submitted our first Integrated Priority List (IPL) which listed our major priorities to meet defense transportation requirements. This IPL was coordinated with our components and served as fiscal guidance to them in developing their programming and budget requests to their respective Services.

The Services also developed CINC annexes to their Program Objective Memoranda (POM) and outlined the extent of funding support for each of our IPL requirements. At the top-level DOD Program Review we had an additional opportunity to advocate transportation programs. As a result of our input and that of the regional unified commands, transportation programs received strong support in the DOD fiscal year 1990–94 program. Additionally, we had the opportunity to raise budget issues to JCS and OSD during the fiscal year 1990–91 OSD Budget Review. In general, especially in view of current fiscal constraints, transportation programs and budgets have been well supported by the Services and OSD.

STRATEGIC SEALIFT

Question. In September of 1987, the President's Commission on the Merchant Marine and Defense (CMMD), found a "clear and growing danger to the national security" due to the deteriorating conditions of the U.S. maritime industry.

Early last year, during your testimony before the Senate Armed Services Committee, you noted that the U.S. had a shortfall of at least 42 cargo ships. Additionally, you anticipated this shortfall would increase to more than 200 by the year 2000.

What is the requirement for sealift capability and what is the current shortfall?

Answer. I believe the 42 ship figure that you have referred to was a notional ship figure derived from data provided in the Committee on Merchant Marine and Defense study. The current DOD single theater dry cargo lift goal is one million short tons of unit equipment. This goal will be updated shortly with completion of the DOD/JCS Revised Intertheater Mobility Study (RIMS). The current shortfall (in sealift capability), based on refinement of requirements versus capabilities analyzed subsequent to my testimony last year, is approximately 36 additional ships needed to meet the unit equipment surge requirement. At this point and until the RIMS assessment is available, defining the exact number of ships sufficient to do the job is not as critical as recognizing the continued downward trend in ships availability.

STRATEGIC AIRLIFT

Question. The airlift requirement for the year 2000, is 66 million tons per day. It is generally acknowledged that the Military Airlift Command (MAC) will not be capable of providing this requirement and that we have a shortfall in strategic airlift. The primary reasons for any shortfall is the size and make up of the fleet of aircraft, the ability to maintain this fleet, and the ability to provide enough pilots for the aircraft. Have the issues surrounding the availability of spare parts and the maintenance of the aircraft been resolved? If not, what can be done to address these issues?

Answer. Availability of spare parts is cause for concern. Replenishment spares (BP 1500) funding for the current fiscal year covers only 35% of the requirement for strategic airlifters. Peacetime operating stock (POS) is funded at 84% with no war readiness spares kit/base-level self-sufficiency spares (WRSK/BLSS) or other war reserve material (OWRM) funding. Even though the fiscal year 1990–91 President's Budget projects full POS funding in fiscal year 1990–94, minimal WRSK/BLSS funding is expected.

To offset depot repair shortfalls, we have increased the level of base self-sufficiency and increased use of WRSK/BLSS to maintain current readiness levels. The Air Force worked hard to balance near-term readiness and sustainability with long-term modernization. To assure readiness and sustainability, we'll need everyone's help to sustain at least what we requested in 1990 and continued emphasis on spares in the years beyond.

C–17 AIRCRAFT

Question. General Cassidy, you are the chief proponent for the development and acquisition of the C–17 airlift aircraft. What is the status of the program?

Answer. The C–17 program is progressing through full-scale development and transitioning into the production phase. Air Vehicle Critical Design Review was completed on time in August 1988. The first C–17 engine delivery occurred in September 1988, 2 months ahead of schedule. The engine was FAA-certified on schedule in December 1988. Low rate initial production was approved on schedule by the Defense Acquisition Board in December 1988 with DEPSECDEF concurrence in January 1989. An advance buy contract for the third production lot (six aircraft) was awarded on 26 January 1989. Assembly start occurred on time at the Douglas Aircraft Company (DAC) facility in Long Beach in August 1988. Progress on assembly of the first aircraft (T-1) is not as fast as originally planned, being about 12–16 weeks behind schedule due to late tooling and parts manufacture. While first flight may not occur as currently planned in August 1990, it should still occur in calendar year 1990. All late schedule conditions will be corrected by delivery of aircraft P-4 to flight test program in April 1991. The first aircraft will be delivered to the Military Airlift Command on schedule in October 1991 with no impact on the planned September 1992 Initial Operational Capability date.

Question. There used to be an "aircraft weight" problem—is that now resolved to your satisfaction?

Answer. A special emphasis weight management effort aimed at increasing attention on improved weight control has been in place for almost 3 years. This plan has yielded significant results. Even though DAC has made excellent progress, we cannot yet say that this problem is behind us. I am encouraged with the recent events.

At a recent weight review meeting on 25 January 1989, DAC presented data which indicated that the actual weight of parts weighing over 9,000 pounds was more than 4 percent under expected weight. This further increases our confidence that the C-17 weight will be well within the level necessary to achieve our operational needs.

Question. Please explain why the R&D contract is expected to overrun the contract target cost. How much is the "overtarget" condition?

Answer. The total Air Force projected RDT&E prime contract estimate of $4848 million (versus a target price of $4244 million) covers the contractor's reported Estimate at Completion (EAC). In concert with the recent Defense Acquisition Board (DAB) decision on the C-17, this budget also includes additional funds for a projected increase in engineering man-hours to complete the development program. It should be noted that our current contract with DAC is a Fixed Price Incentive (FPI) type in which the Government shares cost risk with the prime contractor—DAC 20 percent, Government 80 percent. Thus, the Government estimate of $4848 million takes into account the contractor's share of the projected overtarget condition.

Question. What caused it?

Answer. The fundamental causes of this condition are the impacts of DAC weight control efforts, avionics hardware/software development challenges, and capacity-driven manufacturing problems. The weight control activities have led to redesign requirements with attendant engineering and manufacturing expenditures. This was compounded by a lower-than-anticipated yield from newly hired engineers. Several subcontractors, particularly avionics (including such systems as the Mission Computer and Electronic Flight Control System), were not definitized within budgeted amounts. In the manufacturing arena, DAC has experienced capacity constraints as sales grew from $1.9 billion in 1983 to $4.9 billion in 1988. This has resulted in considerable work being "offloaded" or diverted from in-house DAC effort to other intercomponent elements within the corporation or outside suppliers. Searching for qualified outside suppliers has caused schedule delays and additional overtime expenditures which further compounded the cost position.

Question. C–17 was held back from production a few years ago to allow the C–5B program to go ahead. Given the "extra time" the program had in R&D, why are we now seeing cost overruns in R&D?

Answer. The C–17 program was "held back" from initiating full-scale development, not production. A modestly paced engineering effort extended from July 1982 to December 1985, culminated in award of a restructured full-scale development contract. The 1982–1985 engineering effort consisted mainly of wind-tunnel testing, model tests, and mockup construction. General structural design work was performed, but detailed engineering analyses and design were incomplete due to funding restrictions. Likewise, Douglas was unable to award any major subcontracts in the avionics or subsystems areas during this period. Many of these subcontracts required development effort with Douglas acting as the system integrator. While the extensive wind-tunnel testing (greater than 4,000 hours) has reduced program risk considerably, the many unknowns associated with large system development were not apparent until detailed analyses and design layouts were accomplished after the 1985 restructure to normally paced full-scale development.

Question. Are there cost overruns in procurement as well?

Answer. This budget request includes funding for a projected overtarget price condition on the current contract of $32 million (5 percent) in fiscal year 1988 (Lot I) and $40 million (5 percent) for fiscal year 1988 (Lot II). These amounts represent the Government's share (80 percent) under the FPI-type contract. Target values for fiscal year 1990 and out have not yet been negotiated.

Question. Does the DOD 5-year budget plan forecast building C–17s at a rate that you are comfortable with?

Answer. Yes, the current FYDP incorporates a ramp-up to 29 aircraft per year beginning in fiscal year 1993 which allows buy out to occur in fiscal year 1998.

Question. What plans do you have for variants of the C–17?

Answer. Although many possibilities exist (airborne command posts, tankers, etc.), none are being pursued at this time.

SHORTAGE IN MERCHANT MARINER FORCE

Question. There are two aspects to the Navy's sealift program, the number of sealift platforms and the ability to support these ships.

At the end of World War II, the United States had 200,000 merchant mariners; by 1981, the pool had decreased to only 50,000. This level is considered inadequate to meet peacetime needs and is therefore wholly incapable of fulfilling the wartime requirement.

What is the current wartime and peacetime shortage in the merchant mariner force?

Answer. At the current time, the Maritime Administration indicates there is no peacetime shortage of US Merchant Mariners. Trends in the merchant marine industry have been toward reducing crew sizes. Subsequent to my testimony, MARAD informed me that as a result of reduced crew size and fewer operating vessels, the number of active sailing billets (which includes private and MSC billets) has substantially declined in recent years to approximately 13,000. These billets are filled from an active sailing pool of approximately 28,000 American merchant seamen. A September 1988 Department of the Navy study analyzed the maritime mobilization requirement for 1988 and 1994. ———.

AIRLIFT REQUIREMENTS FOR THE SOF MISSION

Question. The U.S. Transportation Command will be required to provide the transportation support requirement for the Special Operations Forces. This requirement will demand the use of STOL aircraft.

What is the Transportation Command's airlift requirement for the Special Operations Forces?

Answer. My responsibilities to AFSOF are often misunderstood because they demand I wear both my hats simultaneously. Therefore, I want to take this opportunity to clarify these responsibilities. As CINCTRANS, I exercise operational command of Strategic Lift in support of the SOF lift requirements of USSOCOM and the theater CINCs, to include the Special Operations Low Level (SOLL) C-141s and C-130s. As CINCMAC, I am charged to organize, train, equip, and provide support for joint special operations which can rapidly respond and perform missions in hostile, defended, or denied areas. However, while I do provide these forces, operational command or operational control is exercised through the theater CINCs and USSOCOM.

Contingencies similar to Grenada provide perfect examples of when I would perform both roles simultaneously. As CINCTRANS, I would command the strategic lift to preposition special operations equipment and forces. Much the same as the H-60 helicopters flown to Barbados by C-5 aircraft. As CINCMAC, I would provide the MC-130 Talons to make the initial assault and the AC-130 Gunships to provide fire support.

My example is simple, but I hope it helps delineate between my two separate but overlapping responsibilities to AFSOF. Obviously, the responsibilities are far more encompassing. My specific requirements as CINCMAC are founded on a joint Army/Air Force study to develop the SOF force structure directed by the Deputy Secretary of Defense on 31 October 1986 and later updated in the 1 June 1987 SECDEF Report to Congress.

Question. What is the Transportation Command doing to meet this requirement?

Answer. SOF forces must compete for the limited strategic lift assets under the wartime control of USTRANSCOM. To meet Military Airlift Command's requirements, we are building the 1 June 1987 SECDF-approved force structure. When we have completed the build, combined Army and Air Force assets will provide 97 percent of the capability to meet the simultaneous requirements of the five regional CINCs in a global war. Short of a global war, it is more than sufficient to meet the worst case JSOC scenario plus the worst case regional war scenario in any CINCs theater of operations simultaneously.

In the preface to your question you mentioned the use of STOL aircraft. This is another area where there seems to be some confusion. Other than the force structure I have just discussed, there is no stated SOF requirement for a new STOL aircraft. But, General Woerner, at USSOUTHCOM, has a very real and immediate requirement for a STOL aircraft capable of landing on fields inaccessible by C-130 yet possesses a greater range than rotary-wing aircraft. To meet his needs, we have funded contract aircraft as an interim solution, and ASD is working toward source selection completion and contract award for 10 aircraft. The President's Budget before you now includes procurement funds for 5 aircraft in fiscal year 1990 ($74.4 million) and 5 in fiscal year 1991 ($76.2 million).

As the nation's airlift experts, we will continue to analyze emerging technological breakthroughs, including improved STOL capabilities, to determine if we can better meet USSOCOM's lift requirements.

FUTURE REQUIREMENTS FOR AIRLIFT

Question. In an interview with "Sea Power" in July of 1988, you stated that there may be a future transportation requirement for low observable aircraft or airplanes with low-radar cross-section qualities. Have you made any study of your requirement in this area? If so, what is the requirement?

Answer. Evidence from several sources shows the strong relationship between reduced radar signature and increased survivability of aircraft operating in a combat environment. Terrain following and other evasive techniques alone are rarely adequate to overcome aircraft size and relatively slow speed which ease its detection. Combat training exercises, notably the Red Flag scenarios, continually point out the vulnerability of our present airlift fleet to enemy radars. The recently completed Advanced Tactical Transport Mission Analyis (ATTMA), a comprehensive study which examined requirements and capabilities for future transport aircraft, strongly advocates the need to incorporate low observable technologies in the design of next generation airlifters. We think some combination of terrain following capability and low-radar cross-section features will be required. The ability to minimize enemy radar exposure in the combat arena is a critical ingredient in future transport aircraft design, and we feel it is an essential survival requirement for our next generation airlifter.

Question. Furthermore, in an interview with "Armed Forces Journal" in January of 1988, you stated that there is a requirement to equip the Military Airlift Command assets with defensive systems. Would you elaborate on this thought and tell us again what studies you have done to determine the requirement?

Answer. Over the past 12 years, no less than 15 survivability studies and reports have been generated which attempted to document the threat to and/or the EW requirement of airlift missions and aircraft. A chronological listing of those studies follows:

1975—Self-Defense Systems for Strategic Airlift Aircraft.
1975—Compass Cool.
1976—Aircraft Survivability Assessment.
1980—Close Look II.
1982—IR Signature Measurements of C-5A and C-141B Aircraft.
1982—USAF Scientific Advisory Board (1982 Summer Study).
1983—Airlift Aircraft Self-Defense IRCM Analysis (Quest Study).

1985—White Paper: IR Considerations for the C-17 Aircraft.
1985—White Paper: RFCM Considerations for the C-17 Aircraft.
1985—Electronic Warfare for Large Aircraft.
1987—Military Airlift Survivability Study (MASS).
1987—DOD FY88 Electronic Combat (EC) Plan.
1987—Tactical Airlifter Survivability in a Nonradar Threat Environment.
1988—C-17 Defensive System Study.

The common thread in each of these studies was that early warning is critical to survival.

We are planning to equip a portion of each of our aircraft fleets—C-130, C-141, C-5, and C-17—with defensive electronic combat devices. This is a difficult project to undertake in this tough fiscal environment, but we are convinced airlift aircraft must have this protection.

COMMAND EFFECTIVENESS

Question. The U.S. Transportation Command has three components: the Military Traffic Management Command (MTMC), the Military Sealift Command (MSC), and the Military Airlift Command (MAC). The implementation plan for TRANSCOM retains the existing headquarters and command structure for each of these components. This means there is a layer of subordinate headquarters between the CINC of the Transportation Command and the Services' transportation organizations.

According to a recent DOD IG study, "Improvements in effectiveness and efficiency can be realized by combining and managing the essential staff functions directly under a Unified Commander." The IG report recommends that if this approach is taken, over 1,000 authorized manpower spaces could be eliminated.

Do you agree with the DOD IG report that a true consolidation of headquarters and command elements would enhance your ability to manage transportation requirements? If not, why?

Answer. From my perspective as a commander of troops, the DOD IG report is faulty and won't work. The proposal is not well thought out and reflects an extremely shallow approach to command organization. OSD, JCS, and the Services worked long and hard to formulate the mission, organization, and structure of this command and because of their efforts USTRANSCOM is working well. We should not discard their years of intense study and debate to accept, at face value, the recommendations derived from such a cursory look at command organization.

In fact, the structure proposed by the DOD IG would hamper the mission effectiveness of my command because it advocates a highly centralized command vice a "truly unified command." The consolidation of headquarters and command elements would cause the USTRANSCOM staff to spend an inordinate amount of time managing day-to-day peacetime operations and require more manpower, not less. Additionally, we would be forced to get involved in Service administrative areas which would cause components to lose their vital Service link. In turn, they could possibly lose their Service advocacy if they should become less directly involved in the key transportation research, development, and procurement actions of the DOD resource allocation process. The addition of the component commands' peacetime responsibilities to the USTRANSCOM charter would create a great potential to divert the attention of the command and its senior leadership from the primary warfighting mission. Now is not the time to mire the USTRANSCOM staff in the myriad of day-to-day management problems associated with peacetime movement of cargo via multiple mode transportation assets when we are tying to build our ability to mobilize in wartime.

Question. When a unified transportation command was first envisioned, it was assumed there would be cost savings. Has USTRANSCOM provided any cost saving? (For the record, please document all savings, including year savings were recorded and in which appropriation the savings were recorded.)

Answer. I must emphasize that first and foremost we are a warfighting command created to improve our nation's wartime transportation capability. Our charter is to improve transportation readiness and effectiveness. We were not created as a measure of economy. We exercise operational command over our components' common-user forces but they, the components, exercise operational control of their forces, including the management of day-to-day peacetime operations. Historically, the components have done an excellent job in this regard and they are continually scrutinizing those operations for ways to provide a better, more efficient service.

Even so, we do envision that USTRANSCOM may inherently generate some possible cost avoidances in the future because we are continually looking for and finding smarter ways to do business. However, any cost avoidances will only be a by-product of those ongoing efforts to improve our warfighting capability and readiness.

Question. Before the Transportation Command was created, planning for transportation needs was the role of the Joint Deployment Agency.

The Joint Deployment Agency was considered ineffective and is now a part of the Transportation Command, with the hope that as a Command, the mission of joint transportation needs will be addressed. Many of the problems experienced by the Joint Deployment Agency may have been caused by the inability of the Agency to directly command the military's transportation organizations in peacetime.

Do you believe that the ability to directly command the other transportation organizations in peacetime is vital for the success of the joint transportation mission?

Answer. As noted in the preface to this question the JDA lacked sufficient authority to meet expectations. They did some great work but reached a plateau limited by their authority. Operational command of the components is essential to move beyond that plateau and successfully complete the joint transportation mission. Operational command provides the unified direction to the components to properly integrate and balance their repective transportation capabilities.

Question. Do you, as Commander of the Transportation Command, have direct command of the other transportation organizations in peacetime?

Answer. As USCINCTRANS, I have operational command of the common-user transportation resources assigned to MAC, MSC, and MTMC—USTRANSCOM's component commands. The component commands have been delegated and exercise operational control of their organic common-user forces. This is the proper way to operate. Excessive centralization of the day-to-day operations of the components is not the answer. The US Transportation Command was not established to fix problems within MAC, MSC, and MTMC. They were not broken. Operational command provides me sufficient authority to accomplish the USTRANSCOM mission.

Question. Do you believe that the responsibility of the other transportation organizations to report to their respective Service components as well as to you, decreases your command authority?

Answer. Not in the least. I have all the authority and influence I need. The component-Service relationship does nothing to diminish that. In fact, the component serves as an important conduit for me to inform the parent Service of programs needing support so I may meet my warfighting requirements. This arrangement has worked very well and the continuing dialog has been productive and supportive. Relationships with the Services and my components remain excellent.

PARTICIPATION IN JCS EXERCISE

Question. It was the "Nifty Nugget" exercise of 1978, an exercise simulating a fast-breaking attack by the Warsaw Pact on NATO forces, which brought to light the shortfalls of the existing transportation organizations. The transportation elements of the exercise were not coordinated and if it had been a real life attack, the transportation requirements would not have been met.

What are your current plans for participation in JCS exercises?

Answer. USTRANSCOM participates in the JCS Exercise Program as a supporting commander providing common-user lift and forces to the sponsoring unified and specified commands. During Fiscal Year 1988, MAC provided airlift and forces in 81 of 87 JCS-directed and coordinated field training exercises (FTXs). MSC provided sealift in 11 FTXs and MTMC provided common-user rail, truck and port services in 15 FTXs. Headquarters USTRANSCOM and all three transportation component commands participated in the single JSC-directed command and control procedural exercise (CPX), PROUD SCOUT 88.

Question. Will you also participate or at least observe Service-sponsored exercise like the Army's LOGEX exercise?

Answer. Headquarters USTRANSCOM does not participate extensive in Service-specified exercises; however, the component commands are actively involved whenever their support is required. During fiscal year 1988 USTRANSCOM participated in the US Army's LOGEX 88 with a response cell and will participate in LOGEX 89.

Question. What is your current funding level for JCS exercise participation?

Answer. JCS provides funds for common-user lift services. The Joint Staff allocates those funds, in the form of capability, to the commanders who sponsor exercises. When USTRANSCOM-assigned forces need transportation which is funded by JCS, they must compete with other participating forces and receive approval from the sponsoring command. USTRANSCOM believes its joint training objective can be met with the current level of funding of $50 thousand.

CIVILIAN SECTOR ASSETS

Question. One of the tasks for the Transportation Command is to identify existing transportation oriented data bases in both the federal government and the private sector for detail on potential sources of transportation assets needed to fulfill your mission.

Have you been able to identify any existing assets for use in the transportation mission?

Answer. Yes. USTRANSCOM requested the Transportation Systems Center (TSC), US Department of Transportation (DOT) investigate and report on civil sector transportation asset systems and interfaces as well as civil sector organizational relationships with the Department of Defense (DOD). A TSC study team completed the study and submitted their report titled "Non-DOD and Civil Sector Transportation Asset-Infrastructure Study and Systems Catalog" dated October, 1988. The report identifies transportation assets and catalogs those sources of data and information flows to the DOD. It also presents an overview of major civil sector organizational responsibilities and relationships with the DOD in times of crisis. The report lists gross numbers of US assets (i.e., ships aircraft, personnel, facilities, etc.)

In addition to the above transportation asset report, all three USTRANSCOM components (Military Airlift Command, Military Sealift Command, and Military Traffic Management Command) maintain data bases for federal government and civilian sector transportation assets.

Question. Have you encountered any resistance to your request for information?

Answer. No. Thus far, organizations and agencies, from which requested information, have been cooperative and helpful.

SINGLE ADP SYSTEM FOR TRANSPORTATION

Question. In an article you wrote for "Defense '87," you stated that perhaps your greatest challenge would be the development of a single automatic data processing (ADP) system. Is the requirement to have a single ADP system that integrates mobility and deployment transportation systems?

Answer. The Command's concept of a single ADP system is expressed by the term "Global Transportation Network" (GTN). The GTN encompasses the communications infrastructure as well as computer systems. The GTN is an evolution of existing and future systems that will be integrated to the degree necessary to support the Command's global mobility and transportation management missions. Integration can be accomplished through many different interfaces, including policy, procedural, and technical. The GTN will make maximum use of existing resources, and will seek to identify redundant systems. Future systems will exploit the use of data and communication protocol standards to assure integration and interoperability of the GTN systems.

Question. Do each of the transportation organizations have their own ADP systems?

Answer. Yes, and to a high degree they are not integrated, so information is not easily shared among all those who need it. While there are information requirements unique to each organization, there are other requirements which are common to some or all.

Question. You had a requirement to develop an ADP Master Plan by June 30, 1988. Have you developed such a plan?

Answer. The USTRANSCOM Implementation Plan had a milestone to develop an ADP Master Plan by June 30, 1988. The requirement has since been expanded. The plan will be called a C4 Systems Master Plan and will include the communications infrastructure as well as computer systems. A baseline portion of the plan was developed last year and was briefed to the JCS in October 1988. This plan addresses existing transportation related C4 systems, lays the ground work and establishes the policies and guidance that will be needed to direct further planning effort. Contract effort to determine specific solutions for system integration and evolution of the Global Transportation Network is expected to begin in March 1989. An initial version of this C4 Systems Master Plan is expected to be completed by October 1989.

Question. We understand that it is your hope to get a single ADP system in place by the early-1990's. What is your current schedule for implementation of such a system?

Answer. Elements of the Global Transportation Network (GTN) exist today. In some cases, changes in present policies and procedures will allow information to reach the right people. These changes can be implemented in the near term, possibly within a year's time. In other cases, a physical interface will be needed to share information resources. These interfaces can be identified and implemented in the mid term, funding permitting, by 1992. Finally, there are information requirements which exist now, and others which we anticipate in the coming years, which cannot be satisfied by systems as they now exist. These requirements are submitted through the POM process for long-term resolution; the first of these systems should be fielded in the 1992–1995 timeframe.

Question. The Military Airlift Command (MAC) has developed the prototype for DOD Command Centers, providing global communications. Instead of developing a new monolithic ADP system to add to the systems currently in place, could you take the MAC system and with modifications, expand it to the Military Sealift Command and the Military Traffic Management Command?

Answer. As stated earlier, the Global Transportation Network (GTN) will be realized through the process of integrating present and future command, control, communications, and computer systems, rather than developing a new ADP system. There are elements of the Military Airlift Command's Center which can and will be extended to the Military Traffic Management Command and the Military Sealift Command. The same holds true for command and control elements of the other components. In general, we will make maximum use of the existing systems and share information resources wherever possible.

JOINT OPERATION PLANNING AND EXECUTION SYSTEM

Question. The Joint Operation Planning and Execution System (JOPES), is the system the U.S. Transportation Command plans to use by the 1990's. The first increment of JOPES has been delayed about three years, until fiscal year 1995.

Is USTRANSCOM responsible for development of JOPES? If not, who is responsible for developing this system?

Answer. Currently, the Air Force Systems Command is the designated development agency for the WIS Program, of which JOPES is a part. An OSD Working Group recently proposed, and OSD is currently staffing, that overall responsibility for the WIS Program be transferred from the Air Force Systems Command to the Defense Communications Agency. This OSD Working Group also proposed that USTRANSCOM, based on our experience with the Joint Deployment System, be a co-developer of JOPES with the Joint Data Systems Support Center of DCA as the lead agency. USTRANSCOM supports the OSD initiative to simplify the WIS Program management structure.

Question. What is the current estimate for completion of the first increment of JOPES?

Answer. Although the first increment of JOPES will not be completed until the end of fiscal year, the first of the three JOPES releases comprising Increment 1 is currently scheduled to be completely fielded by spring, 1991.

Question. To date, how much has been spent on designing JOPES? What is the estimate of the total lifecycle costs of JOPES?

Answer. JOPES is part of the WWMCCS Information System (WIS) Program for which the Air Force is proponent. The Air Force indicates that $85.3 million has been spent on Block B for which JOPES is the major portion. According to the Joint Program Management Office, life cycle costs have not been developed for JOPES. The requirements for increment II of JOPES have not been detailed to a level to allow costing. The Cost and Operational Effectiveness and Analysis (COEA) and Independent Cost Analysis (ICA) were planned for Block B as part of the preparations for a Milestone II DAB in September 1989. The draft COEA is scheduled for March 1989. Costing activities have been halted pending decision to transfer the program to DCA.

Question. For the short term, do you see the need to provide a more immediate and better deployment system than the command presently has? If so, please describe these needs, your plans to accomplish them, and the timetable and costs of implementation.

Answer. JOPES is more than just an ADP system. It is policies, procedures, and people, as well as ADP hardware and software. We are continually improving and changing procedures to maximize our ADP support. Of course, we need to have the best capability possible, as soon as possible, to meet the challenges of crisis action planning and execution. In an effort to provide JOPES functionality at the earliest possible date, USTRANSCOM has been working with DCA to design a strategy for early release of JOPES functionality. This strategy divides JOPES Release 1 into four sub-releases called versions. The first version would be fielded in October 1989 with additional versions fielded every six months. The second release of JOPES would be handled in the same manner beginning in October 1991. The cost in both time and dollars mitigate against any intermediate system, especially in light of the proposed strategy to put initial JOPES capability in the hands of the users beginning in October 1989.

Question. How will this delay impact the command's capability to carry out its mission?

Answer. I would preface my answer to this question by saying that JOPES is absolutely essential to the long-term operation of USTRANSCOM. The delay in fielding of JOPES Increment 1 will have some impact on the ability of USTRANSCOM to accomplish its mission. There are many areas of both deliberate planning and crisis execution that we will not be able to improve until JOPES is fielded. The delay certainly causes me concern, but I feel confident that USTRANSCOM can compensate near term if the proposed interim release strategy is implemented.

REQUIREMENTS FOR DATA AND ADP

Question. During the development of the Joint Deployment System (JDS), an ADP system which was being developed by the Joint Deployment Agency (JDA), had identified 15 data systems for interface with the JDS. However, by mid-1988, six of the systems, including the Navy's Sealift Strategic Planning System and the Army's Transportation Coordinator Automated Command and Control Information System, had not yet been interfaced with the JDS.

Does the Transportation Command concur with the need for the six systems identified by the JDA, and if not, what are the replacement or comparable systems now needed?

Answer. While the interfaces to the JDS are still valid requirements, two significant factors affect the timetable for implementation. The first is the delay in the first increment of the JDS replacement system, JOPES. The second is the need for a technical solution to the multi-level security problem. Most of the subject systems identified for interfacing are unclassified. The JDS, and its successor, JOPES, are Top Secret Systems. There is currently no technology which will allow the secure sharing of data electronically between these systems.

Question. What is the interface schedule for the original or replacement systems?

Answer. We are currently pursuing interoperability and standardization initiatives which will facilitate the rapid interfacing of candidate systems when we have a multi-level security solution. We should note that while this does not give us a firm date for integration, procedural and other information sharing ideas are also being investigated.

Question. Also, during the development of the JDS, disagreements occurred between the JDA and the suppliers of data over the amount and type of data required by the Agency. Do you anticipate encountering similar problems?

Answer. Historically, systems were developed independently by the Services, agencies, and CINCs. Each developed its own data structures and formats. Therefore, there will always be these hard questions when we attempt to integrate existing systems. We must show that the work required to accomplish this task is worth the value added to transportation capability.

Question. If so, as Commander in Chief, what actions have you taken, or can you take to resolve such problems.?

Answer. A USTRANSCOM team performed an Information Requirements Study in 1988. This study will provide a good basis for data elements throughout the command. Two factors bear heavily on this question. First, the JDA was an organization with little authority to carry out its data requirement concerns. USTRANSCOM has been given the required authority with the responsibility to achieve an integrated transportation system. Secondly, there are numerous efforts underway now toward the establishment of standards for data and the building of common data dictionaries. Both of the efforts should help to alleviate these problems.

NECESSARY DATA ELEMENTS FOR TRANSPORTATION COMMAND

Question. The US Transportation Command task force was established in 1988 to identify the data elements necessary to accomplish the Command's mission. The estimated date for completion of this effort was the fall of 1988.

Has the task force completed its work and if so, what were the results?

Answer. Our Functional Requirements Team has completed its initial staff survey of the CINCs, Services, and numerous transportation agencies. They asked the question, "What information do you need to carry out your assigned transportation mission?" The answers have been translated into an initial requirements document which is being staffed in draft form at this time.

Question. Do all of the elements needed by the Transportation Command currently exist with the Service transportation organizations?

Answer. The complete analysis of our requirement document is just beginning. It may be too soon to have a definitive answer, but it appears that the essential elements of information are contained in the various existing systems.

Question. What are the specific data systems or data elements required to meet the Command's operational needs?

Answer. Our C4 Systems Master Plan Baseline has catalogued 106 separate transportation systems which contain information that is important to this command. As we further refine our functional requirements we will target specific systems and pieces of information to meet the operational needs.

Question. Has the task force, or other Command units, identified data requirements which do not exist or are not available in a usable form to the Command? If so, what is the time frame in which the Command expects to resolve this issue?

Answer. As stated earlier, this analysis is in its early stages. We have expanded the study to include the overseas area CINCs. The results of this entire requirements baselining effort will be provided as government furnished information to the contractor for the C4 Systems Master Plan. The first edition of this formal C4 System Master Plan is due by 1 Oct. of this year.

[CLERK'S NOTE.—End of questions submitted for the record.]

THURSDAY, FEBRUARY 2, 1989.

COMMANDER IN CHIEF, UNITED STATES PACIFIC COMMAND

WITNESS

ADM. HUNTINGTON HARDISTY, U.S. NAVY, COMMANDER IN CHIEF, U.S. PACIFIC COMMAND

INTRODUCTION

Mr. MURTHA. The Committee will come to order.

Today we are pleased to welcome Admiral Huntington Hardisty in his first appearance before the Committee as Commander in Chief of the United States Pacific Command. We will place your biographical sketch and the complete text of your statement in the record. In the interest of time and to allow for the maximum dialogue between you and the members of the Committee, we would ask you to summarize your statement.

A friend of mine, Jack Sheehan, who lives in my district, graduated with you in the same class and I understand you went to night school together. He was a former member of the Federal Reserve Board and is a prominent American. We appreciate your friendship with him.

Admiral, please proceed.

SUMMARY STATEMENT OF ADMIRAL HARDISTY

Admiral HARDISTY. I appreciate the opportunity to appear before the Committee today.

At the outset, I would like to say I think we have seen some changes in the strategic environment and certainly we are approaching more changes.

The highlights include the prospects of reduced tensions between the United States and the Soviet Union, the increasing importance of economic factors and, of course, the mandate that our national deficit be reduced. All these factors are likely to weigh heavily in the continuing appraisal of our security policies and our defense budget.

IMPORTANCE OF THE PACIFIC

I would briefly like to mention the importance of the Pacific, a little about the threat, the current strategic situation and some of my high warfighting priorities. If any word can describe the Pacific, it is the word change.

Seven out of ten of the world's largest armies are in the Pacific. Seven out of ten of our mutual defense and security treaties are in the Pacific. Our trade in the Pacific has exceeded that of the European Economic Community for the last 17 years. More than one third of our trade is with the Pacific, while only one-fifth of our trade is with Europe.

In the next decade, we will see the GNP in the Pacific double. By the year 2010, India is forecast to outstrip China in population, so it is a very dynamic area and one which will occupy and should occupy a great deal of our attention over the next ten years.

SOVIET THREAT

Looking at the threat, we have heard a lot of rhetoric from Secretary General Gorbachev at Vladivostock and in other speeches that he has made. We have heard of the reduction in troops, that the troops will be pulled out of Mongolia, that he may have naval reductions in my area and the Far East, but to date, the threat has not changed.

The Soviet Pacific Fleet, the Soviet Air Force in the Pacific now have fourth-generation aircraft. Their Pacific Fleet is their largest. ——— two of their four aircraft carriers, so the things that affect the security posture have not changed in my area of responsibility.

While we definitely support relaxation and reduction in tensions, I think we are in a wait-and-see mode on the Soviet initiatives. To date we have not seen any concrete evidence of reductions in the Pacific. In fact, if anything, the forces have increased qualitatively and quantitatively in the last two to three years.

SECURITY POSTURE

Looking at the current situation, we have strong bilateral alliances and relationships with our allies in the Pacific. Unlike NATO, we have no over arching security umbrella, but the heart of our deterrence is our forward deployed posture and strong bilateral relationships with allies such as Japan, Korea, Australia, and others.

As to my highest priorities for war-fighting, my overall priorities are people, readiness, and sustainability. When we get into budget matters, ASW and submarine warfare is a high priority. We have got to protect our sealines of communications. We are a maritime nation. My number two priority would be surveillance and intelligence and early warning.

I appreciate this Committee's support for our initiatives in the Pacific and over-the-horizon radar. I support ASAT. It is vital to have a deterrent against the Soviets taking away our eyes and ears because of our dependence upon satellites and also what satellites can do against us in wartime. Air warfare, long-range intercept modernization of my Pacific Air Force is important along with sufficient threat munitions.

Strategic lift is my number four priority in the budget area and the includes the C-17, which I strongly support. Number five would be sustainability. We put a lot into sustainability and readiness during the Reagan Administration. As the budget climate tightens we are going to see a leveling off there. My sustainability is good, but it is not ramping up as it has in the past. I would not like to see that trend continue. We are going to increasingly use war reserve and other similar munitions for training, so sustainability is an issue that I am not overly concerned about. I think it fits our priorities, but is something we should watch carefully.

CONCLUSION

In conclusion, I think you will find the Pacific is in good shape. We have 50 perent of the world's area and 20 percent of the armed forces, who are doing a tremendous job in that large area. Our people have never been better. They are bright, alert, better educated than I have ever seen. They are goal-oriented, motivated, and patriotic. I am confident in peacetime and in wartime that with the forces I have and with my readiness and sustainability, I can meet our national security objectives in my opinion, if it comes to conflict with the Soviets the Pacific Command will prevail.

[The statement of Admiral Hardisty follows:]

BIOGRAPHY

ADMIRAL HUNTINGTON HARDISTY
Commander in Chief, U.S. Pacific Command

Admiral Huntington Hardisty is the fourteenth naval officer to hold the position of Commander in Chief, U.S. Pacific Command, Camp H.M. Smith, Hawaii. As the senior U.S. military commander in the Pacific and Indian Ocean areas, he heads the largest of the unified commands and directs Army, Navy, Marine Corps and Air Force operations across more than 100 million square miles -- over 50 percent of the earth's surface. The U.S. Pacific Command extends from the west coast of the United States to the east coast of Africa, from the Arctic to the Antarctic. He is responsible to the President and the Secretary of Defense and is the U.S. military representative for collective defense arrangements in the Pacific.

Admiral Hardisty, a native of Atlanta, Georgia, was commissioned an ensign on June 6, 1952, following his graduation from the U.S. Naval Academy, Annapolis, Maryland. Admiral Hardisty earned a master of science degree in international relations from Harvard University, Cambridge, Massachusetts, in 1964.

Designated a naval aviator in 1953, Admiral Hardisty's early Navy tours include duty as a Naval Aviator with Fighter Squadrons 12, 22, 101 and 102; Special Weapons Project Test Pilot, Naval Air Special Weapons Facility, Kirtland Air Force Base, Albuquerque, New Mexico; Aircraft Handling Officer, USS AMERICA (CVA 66); Commanding Officer, Fighter Squadron 32; Air Operations Officer, Carrier Strike Force, SEVENTH FLEET; and Special Plans and Air Operations Officer for Southeast Asia in the Office of the Chief of Naval Operations (CNO), Plans, Policy and Operations, Washington D.C. In August 1961, at White Sands Missile Range, New Mexico, while flying an F4B Phantom II, he set a world three kilometer low-level speed record which was unsurpassed for 16 years.

In 1971, Admiral Hardisty was assigned as the Commander, Attack Carrier Air Wing ELEVEN. Returning to Washington, D.C. in 1972, he served as the Executive Assistant to the Director, Navy Program Planning. Admiral Hardisty assumed command of the USS SAVANNAH (AOR 4) in 1973, and command of USS ORISKANY (CVA 34) in 1974.

Admiral Hardisty was Dean of Academics at the Naval War College, Newport, Rhode Island, when he was selected for flag rank in February 1977, and ordered to assume duties as acting President of the War College. He next assumed command of the U.S. Facility at Subic Bay, Republic of the Philippines, serving also as the Commander in Chief Pacific Representative. He attended the CNO Senior Officer Ship Material Readiness Course in Idaho Falls, Idaho, prior to assuming duties as Commander, Carrier Group SEVEN, in 1980.

In July 1981, Admiral Hardisty became Commander, Carrier Group FIVE/Carrier Strike Force SEVENTH FLEET, followed by assignment in July 1982, as the Deputy Chief of Staff for Plans and Operations, U.S. Pacific Fleet (CINCPACFLT). He became Assistant Deputy Chief of Naval Operations, Plans, Policy and Operations, in 1983.

In 1984, Admiral Hardisty was assigned as the Director for Operations, Office of the Joint Chiefs of Staff. He became the Deputy and Chief of Staff, CINCPACFLT, in 1986, and the Vice Chief of Naval Operations, Washington D.C., in 1987. He assumed his present position in September 1988.

Admiral Hardisty's awards and decorations include the Defense Distinguished Service Medal, Navy Distinguished Service Medal with gold star, Silver Star Medal, Legion of Merit with Combat "V" and four gold stars, Distinguished Flying Cross with one gold star, Meritorious Service Medal, Air Medal with two gold stars, Navy Commendation Medal with Combat "V" and two gold stars, Philippine Legion of Honor and various campaign medals.

Admiral Hardisty is married to the former Sally Mae Ives of St. Petersburg, Florida. They have two sons: John and Robert.

Public Affairs Office
USCINCPAC STAFF • BOX 31 • CAMP H.M. SMITH, HI 96861-5025
TELEPHONE: (808) 477-6245

STATEMENT OF ADMIRAL HUNTINGTON HARDISTY
COMMANDER IN CHIEF, U.S. PACIFIC COMMAND
BEFORE THE
HOUSE APPROPRIATION COMMITTEE
DEFENSE SUBCOMMITTEE
2 FEBRUARY 1989

MR. CHAIRMAN:

I APPRECIATE THE OPPORTUNITY TO BE HERE TODAY TO TALK ABOUT THE PACIFIC COMMAND. THIS IS MY FIRST APPEARANCE BEFORE YOU AS COMMANDER-IN-CHIEF. I LOOK FORWARD TO HAVING YOU VISIT THE PACIFIC COMMAND AND TO A CORDIAL AND PRODUCTIVE RELATIONSHIP WITH YOU, MR. CHAIRMAN, AND WITH THE DISTINGUISHED MEMBERS OF YOUR SUBCOMMITTEE. WE ALL SHARE AN ABIDING INTEREST IN PRESERVING AMERICA'S VITAL SECURITY STAKE IN THE PACIFIC. OUR MILITARY FORCES IN THE PACIFIC HELP MAINTAIN THE PEACE AND SECURITY OF THE REGION THROUGH THE MAINTENANCE OF A CREDIBLE DETERRENCE POSTURE. THIS DETERRENCE POSTURE IS BASED ON A SOUND STRATEGY OF FORWARD DEPLOYMENT AND HIGH FORCE READINESS. IN THESE UNCERTAIN TIMES WE NEED TO ENSURE THAT OUR MILITARY FORCES IN THE PACIFIC REMAIN READY, SUSTAINABLE AND APPROPRIATELY SIZED TO FULFILL OUR WIDE-RANGING SECURITY RESPONSIBILITIES.

AT THE OUTSET I WANT TO ASSURE YOU THAT I UNDERSTAND WE ARE IN A TRANSITION PERIOD. THIS PERIOD IS CHARACTERIZED BY THE

GORBACHEV INITIATIVES, THE NEED TO DEAL WITH OUR NATIONAL DEFICIT, AND A FUTURE WORLD CLIMATE IN WHICH ECONOMIC FACTORS WILL WEIGH PARTICULARLY HEAVY IN THE CONTINUING APPRAISAL OF OUR SECURITY POLICIES AND OBJECTIVES.

INTRODUCTION

I WOULD LIKE TO FOCUS MY REMARKS ON THE INCREASING IMPORTANCE OF THE PACIFIC, THE THREAT TO PEACE AND STABILITY IN THE AREA, THE U.S. SECURITY POSTURE IN THIS PART OF THE WORLD, AND THE ROLE OF OUR FRIENDS AND ALLIES. I WILL CONCLUDE WITH A FEW OF MY WARFIGHTING AND PEACETIME STRATEGY CONCERNS ABOUT PRESENT TRENDS AND THEIR POTENTIAL IMPACT ON OUR SECURITY PRESENCE IN THE PACIFIC.

THE PACIFIC TODAY IS A DYNAMIC REGION UNDERGOING BROAD CHANGE. ALTHOUGH IT IS STILL A BI-POLAR THEATER DOMINATED BY THE U.S.-USSR MILITARY BALANCE, THE CONTINUED DEVELOPMENT OF REGIONAL AND SUB-REGIONAL POWERS SUCH AS JAPAN, CHINA, INDIA, AND SOUTH KOREA PLUS THE EMERGENCE OF THE SOUTH PACIFIC WITH ITS MANY NEWLY INDEPENDENT NATIONS MAKE THAT BALANCE MORE COMPLEX. THE EXPLOSIVE ECONOMIC GROWTH OF THE PACIFIC HAS MEANT THAT SOME OF OUR ALLIES AND CLOSE FRIENDS, WHO WERE ONCE ECONOMICALLY DEPENDENT ON US, ARE NOW AMONG OUR MOST VIGOROUS ECONOMIC COMPETITORS. THIS HAS PRODUCED NEW AND DIFFERENT PRESSURES WITHIN OUR ALLIANCE NETWORK.

IN ADDITION, THE POLITICAL MOVEMENTS TAKING PLACE IN THE REGION HAVE HAD SIGNIFICANT IMPACT ON U.S. RELATIONSHIPS. ON THE ONE HAND, THE MOVE TOWARD DEMOCRATIZATION IN MANY COUNTRIES HAS BEEN A BIG BOOST TO THE SPREAD OF FREEDOM. ON THE OTHER HAND, THESE POLITICAL DEVELOPMENTS HAVE ALSO SPARKED A RESURGENCE OF NATIONALISM THAT MUST BE BETTER UNDERSTOOD TO ENSURE OUR MUTUAL INTERESTS ARE SERVED.

FINALLY, THE MOVE TOWARDS RELAXATION OF TENSIONS BETWEEN WASHINGTON AND MOSCOW HAS CREATED THE PERCEPTION AMONG SOME IN THE REGION THAT THE SOVIET MILITARY CAPABILITY IN THE PACIFIC IS NO LONGER A MATTER OF MAJOR CONCERN. SOME ARE BEGINNING TO QUESTION THE NEED FOR THE SOMETIMES DIFFICULT POLITICAL AND MILITARY EFFORTS SO NECESSARY TO MAINTAIN THE VIGOR OF OUR ALLIANCE FRAMEWORK.

OUR SECURITY STRATEGY IN THIS PART OF THE WORLD HAS, OVERALL, BEEN A SOLID SUCCESS FOR THE LAST FORTY YEARS. I BELIEVE THE PRINCIPAL TASK CONFRONTING US AT PRESENT IS TO DETERMINE THE NECESSARY ADJUSTMENTS IN OUR STRATEGY TO REFLECT TODAY'S NEW REALITIES WITHOUT UNDERMINING A SUCCESSFUL GAME PLAN THAT HAS HELPED TO AVOID WORLD CONFLICT FOR THE LONGEST UNINTERRUPTED PERIOD IN THIS CENTURY.

IMPORTANCE OF THE PACIFIC

FORMER SECRETARY OF WAR ELIHU ROOT SAID IN 1901: "THE MEDITERRANEAN IS THE OCEAN OF THE PAST, THE ATLANTIC IS THE OCEAN OF THE PRESENT, AND THE PACIFIC IS THE OCEAN OF THE FUTURE." WELL, MR. CHAIRMAN, I BELIEVE THAT FUTURE HAS ARRIVED. THE IMPORTANCE OF THE PACIFIC TO THE U.S. IS INDISPUTABLE. TRADE WITH THE PACIFIC HAS EXCEEDED TRADE WITH THE EUROPEAN ECONOMIC COMMUNITY FOR 17 CONSECUTIVE YEARS. OVER ONE THIRD OF ALL U.S. FOREIGN TRADE IS IN THE PACIFIC COMPARED TO ONLY A FIFTH WITH EUROPE. BY THE YEAR 2000, THE PACIFIC'S GROSS REGIONAL PRODUCT IS EXPECTED TO DOUBLE. ON THE SECURITY SIDE, SEVEN OF OUR TEN MUTUAL DEFENSE TREATIES ARE WITH PACIFIC NATIONS. ADDITIONALLY, SEVEN OF THE WORLD'S TEN LARGEST ARMIES AND OVER 60 PERCENT OF THE WORLD'S POPULATION CAN BE FOUND WITHIN THE PACIFIC AREA. THE U.S. HAS PLAYED A KEY ROLE IN THE DYNAMISM OF THE REGION BY DEVELOPING AND MAINTAINING CLOSE RELATIONSHIPS WITH MANY NATIONS. FORWARD DEPLOYED U.S. FORCES CONTRIBUTE SIGNIFICANTLY TO A REGIONAL STABILITY THAT ALLOWS DEMOCRATIC IDEALS AND ECONOMIC PROSPERITY TO FLOURISH.

THE THREAT

WE WOULD WELCOME A PEACEFUL SOVIET UNION THAT IS PREPARED TO CONTRIBUTE TO THE SECURITY AND DEVELOPMENT OF THE REGION. HOWEVER, AS A WARFIGHTING CINC I MUST DEAL WITH THE REAL WORLD, AND RELY ON DEEDS RATHER THAN RHETORIC. SINCE 1986, THE SOVIETS HAVE ADDED THREE DIVISIONS TO THE FAR EAST MILITARY DISTRICT, BRINGING THE TOTAL TO 57. THE SOVIET PACIFIC FLEET, ALREADY THE LARGEST OF THE SOVIET FLEETS, CONTINUES TO INCREASE IN SIZE AND CAPABILITIES. MODERNIZATION EFFORTS INCLUDE THE LATEST FIGHTERS, BOMBERS, TANKS, PERSONNEL CARRIERS, AND SELF-PROPELLED ARTILLERY. IN EXCHANGE FOR SOVIET ACCESS AND BASING RIGHTS TO VIETNAMESE AIR AND SEA PORTS, THE SOVIETS ARE PROVIDING AID ESTIMATED TO BE IN EXCESS OF $5 MILLION DOLLARS PER DAY. CAM RANH BAY ALONE IS THE SOVIET'S LARGEST NAVAL DEPLOYMENT BASE OUTSIDE OF THE USSR. FINALLY, THE SOVIETS CONTINUE TO UPGRADE NORTH KOREAN MILITARY CAPABILITIES WITH A STEADY INFUSION OF MODERN SOVIET TECHNOLOGY AND MILITARY HARDWARE.

IN SPITE OF THE CONTINUED MILITARY GROWTH, I RECOGNIZE THAT RECENT DEVELOPMENTS SUCH AS THE INF TREATY AND VISITS BETWEEN TOP LEVEL U.S. AND SOVIET CIVILIAN AND MILITARY OFFICIALS POINT TO THE PROSPECT OF A MORE STABLE AND CONSTRUCTIVE DIALOGUE WITH THE SOVIETS. AND CERTAINLY PRESIDENT GORBACHEV'S DECISION TO CUT SOVIET CONVENTIONAL FORCE LEVELS IS A WELCOME ANNOUNCEMENT. BUT EVEN IF CARRIED OUT, PROMISED SOVIET TROOP CUTS WILL STILL LEAVE A LARGE, MODERN, READY, HIGHLY CAPABLE MILITARY ESTABLISHMENT THAT BEARS WATCHING.

I BELIEVE IT IS TOO SOON FOR US TO DETERMINE SOVIET SINCERITY. THERE IS STILL A WIDE GAP BETWEEN GORBACHEV'S RHETORIC AND ACTION. MARSHAL AKHROMEYEV, FORMER CHIEF OF THE

SOVIET GENERAL STAFF, CLAIMS THEY HAVE ADOPTED A NEW POLICY OF WHAT THEY CALL "REASONABLE DEFENSE" SUFFICIENCY. WHILE THERE MAY HAVE BEEN AN ANNOUNCED SHIFT IN THE STRATEGY AND INTEREST OF THE SOVIET UNION, THERE IS NO EVIDENCE THAT SOVIET CAPABILITY HAS DIMINISHED.

SECRETARY GENERAL GORBACHEV'S MOST RECENT ANNOUNCEMENTS OF FORCE REDUCTIONS IN THE FAR EAST DO NOT ALTER MY VIEW YET. WHILE WE INDEED WELCOME THESE IMPORTANT INITIATIVES, THE FORCES WHICH THREATEN US DIRECTLY - THEIR PACIFIC LONG RANGE BOMBER FORCE ARMED WITH CRUISE MISSILES AND THEIR SUBMARINE FORCE CONTINUE TO IMPROVE IN QUANTITY AND CAPABILITY. IN SHORT, THE THREAT OF SOVIET PACIFIC FORCES TO THE UNITED STATES IS THE SAME OR GREATER, EVEN IF ALL CURRENT INITIATIVES ARE FULLY CARRIED OUT.

IN FACT IT IS MY CONVICTION THAT THESE SEVERAL STEPS PROPOSED BY THE SOVIET UNION TOWARD REDUCING TENSIONS HAVE BEEN BROUGHT ABOUT BY OUR SUCCESSFUL U.S. STRATEGY AND OUR STEADFAST DEDICATION TO AN ADEQUATE SECURITY POSTURE. THE SOVIETS RESPECT STRENGTH AND WILL CONTINUE TO RESPECT IT, REGARDLESS OF THE ULTIMATE OUTCOME OF GORBACHEV'S INITIATIVES.

IN ADDITION TO SUCCESSFULLY DETERRING THE SOVIET THREAT, ADEQUATE U.S. MILITARY STRENGTH IN THE PACIFIC HOLDS ANOTHER BENEFIT FOR U.S. INTERESTS. MOST, IF NOT ALL, OF OUR FRIENDS AND ALLIES IN THE REGION SEE THE U.S. PRESENCE AS A STABILIZING INFLUENCE AFFECTING ALL THE REGIONAL AND SUB-REGIONAL FRICTIONS

AND RIVALRIES. EVEN EXCLUSIVE OF THE SOVIET THREAT, U.S. PACIFIC SECURITY POSTURE FOSTERS AND MAINTAINS THE POLITICAL AND ECONOMIC CLIMATE THAT WILL BE VITAL AS A FOUNDATION FOR STABILITY AND GROWTH IN THE REGION. ADDITIONALLY A CONTINUED STRONG SECURITY POSTURE IN THE PACIFIC DOES MUCH TO PRESERVE U.S. INFLUENCE, ACCESS, AND LEVERAGE, ALL NECESSARY INGREDIENTS TO MAINTAINING TRADE RELATIONSHIPS VITAL TO EXPANDING U.S. FOREIGN EXPORTS TO THE REGION.

THE TIME HAS NOT YET COME FOR THE U.S. TO ABANDON OUR STRATEGY OF FORWARD DEPLOYED FORCES AND REDUCE OUR PRESENCE IN THE PACIFIC. REALITIES DEMAND THAT WE MUST HAVE A VIABLE, PEACETIME STRATEGY IN THE PACIFIC, TO COUNTER SOVIET ECONOMIC AND DIPLOMATIC MOVES, TO EXTEND THEIR INFLUENCE IN THE PACIFIC, WHILE AT THE SAME TIME SUBSTANTIALLY CONTRIBUTING TO THE REGIONAL STABILITY BASIC TO U.S. ECONOMIC AND POLITICAL INTERESTS.

U.S. SECURITY POSTURE

THE USCINCPAC PEACETIME STRATEGY SEEKS TO STRENGTHEN OUR ALLIANCES, EXPAND U.S. INFLUENCE, AND AID IN NATION BUILDING, THEREBY ENHANCING OUR MILITARY PREPAREDNESS. OUR MILITARY PRESENCE PROVIDES AN OPPORTUNITY TO USE OUR RESOURCES IN WAYS THAT PRESERVE U.S. INFLUENCE AND PROTECT U.S. ACCESS TO THE REGION. WE STRIVE TO BUILD FRIENDSHIPS THROUGH SUCH PROGRAMS AS

COMBINED TRAINING EXERCISES, HUMANITARIAN CIVIC ACTION, AND DISASTER RELIEF. IN RETURN, WE BUILD AN APPRECIATION FOR THE ROLE OF U.S. FORCES IN PROVIDING SECURITY AND STABILITY, BUILD CONFIDENCE IN OUR HOST NATIONS, AND ENCOURAGE THEM TO BUILD COMPLEMENTARY FORCES TO SUPPORT COMMON SECURITY INTERESTS. THIS APPROACH, AMONG OTHER BENEFITS, SHOULD LEAD TO THEIR SUPPORT OF THE U.S. IN CONTINGENCY AND CRISIS SITUATIONS. BUT, MORE IMPORTANT TO U.S. NATIONAL SECURITY IS THE EXCELLENT FORWARD POSTURE THAT THE PEACETIME STRATEGY AFFORDS US. SHOULD OUR OVERALL MILITARY STRATEGY OF DETERRENCE FAIL, THE FORWARD POSITIONS OUR MILITARY FORCES OCCUPY IN PEACETIME PLACE US IN AN EXCELLENT POSTURE FROM WHICH TO TRANSITION TO COMBAT. THE PEACETIME STRATEGY SERVES TWO PURPOSES: TO BUILD CONFIDENCE, INFLUENCE AND ACCESS WITH OUR FRIENDS AND ALLIES IN THE REGION WHILE, SIMULTANEOUSLY, AS A RISK REDUCTION MEASURE, PROVIDING A FAVORABLE MILITARY POSTURE THAT SERVES AS A START POINT TO EXECUTE OUR WARFIGHTING STRATEGY.

TURNING NOW TO THE PACIFIC COMMAND'S WARFIGHTING STRATEGY, OUR EFFORTS CONTINUE TO FOCUS ON THE DETERRENT VALUE AND CREDIBILITY OF POSTURING FORWARD EARLY ON, AND THEREBY SENDING THE RIGHT SIGNALS TO THE SOVIETS AND OUR ALLIES DURING PERIODS OF TENSION, CRISIS, AND POTENTIAL CONFLICT. SUCH MOVES DEMONSTRATE RESOLVE TO PUT THE SOVIET FORCES AT RISK AND TO MAINTAIN PEACE AND SUPPORT FOR NATIONS IN THE REGION, HOPEFULLY DETERRING THE CONTEMPLATED HOSTILITIES. HOWEVER, SHOULD HOSTILITIES COMMENCE, OUR U.S. MILITARY FORCES ARE ALREADY OPTIMALLY POSITIONED TO FIGHT.

MY JUDGMENT ON OUR FORCE READINESS IS BASED ON OBSERVATIONS DURING PACIFIC COMMAND EXERCISES. YEAR AFTER YEAR, U.S. PACIFIC COMMAND SOLDIERS, SAILORS, AIRMEN, AND MARINES HAVE, DURING EXERCISES, SHOWCASED THEIR ABILITIES TO FIGHT JOINTLY, AS WELL AS WITH THE COMBINED FORCES OF ALLIED NATIONS. EXERCISES SUCH AS TEAM SPIRIT IN KOREA, ORIENT SHIELD IN JAPAN, AND COBRA GOLD IN THAILAND PROVIDE CONFIDENCE IN OUR ABILITY TO FIGHT IN A COMBINED MANNER, WHILE AT THE SAME TIME EMPHASIZING OUR RESOLVE AND ABILITY TO DEFEND IMPORTANT PACIFIC ALLIES. LIKEWISE, I AM CONFIDENT THAT OUR PACIFIC COMMAND FORCES CAN DEFEND U.S. INTERESTS IN FORWARD AREAS. AN EXCELLENT EXAMPLE OF THAT CAPABILITY IS, OF COURSE, OUR SUCCESSFUL AND SUBSTANTIAL CONTRIBUTION TO THE SUCCESSFUL USCINCCENT EFFORT TO SAFELY ESCORT OIL TANKERS IN THE PERSIAN GULF.

ROLE OF OUR ALLIES AND FRIENDS

OUR MISSION TO MAINTAIN PEACE INVOLVES A CAPABILITY AND NATIONAL WILL TO ENGAGE IN WAR. BUT, U.S. FORCES CANNOT GO IT ALONE. REGIONAL SECURITY IS A TEAM EFFORT, AND ANY TEAM EFFORT REQUIRES FREQUENT ASSESSMENT OF MUTUAL CONCERNS AND CHALLENGES. THAT ASSESSMENT IS ONGOING. WE ARE FORTUNATE TO HAVE IN PLACE AN

ALLIANCE NETWORK WHICH FOR MORE THAN 40 YEARS HAS SERVED AS THE ULTIMATE GUARANTOR OF STABILITY. THE LIST OF IMPORTANT ALLIES AND FRIENDS IS LONG. ACCORDINGLY, IN THE INTEREST OF TIME, LET ME ADDRESS SOME OF THE MOST TOPICAL.

JAPAN:

THE U.S. SECURITY RELATIONSHIP WITH JAPAN IS THE LINCHPIN OF OUR PACIFIC STRATEGY. THE JAPANESE ARE WELL ON THEIR WAY TOWARD A SELF-DEFENSE FORCE CAPABLE OF MEETING THEIR COMMITMENT TO DEFEND THE SEA LANES OUT TO 1000 MILES. AIRBORNE EARLY WARNING, HIGH PERFORMANCE INTERCEPTORS, SEABORNE AIR DEFENSE AND ANTI-SUBMARINE PLATFORMS ARE THE PREREQUISITES, AND ALL ARE BEING ACCOMMODATED AND UPGRADED IN JAPANESE DEFENSE PLANS AND PROGRAMS.

HOWEVER, EVEN AFTER ACHIEVING THEIR SELF-DEFENSE GOALS, JAPAN WILL BE CONFRONTED BY POWERFUL ELEMENTS OF THE SOVIET FAR EAST MILITARY FORCES, WHICH OPERATE LITERALLY IN JAPAN'S BACK YARD. JAPANESE FORCES ARE GOOD, BUT THEY FACE THE MORE NUMEROUS AND MORE POWERFUL SOVIETS. THE U.S. MAINTAINS A SIZEABLE FORCE OF FIVE FIGHTER SQUADRONS, NAVAL ELEMENTS OF THE SEVENTH FLEET, AND A MARINE EXPEDITIONARY FORCE IN JAPAN. ALL OF THESE FORCES ARE A PART OF THE U.S. FORWARD DEFENSE STRATEGY AND SERVE THE MUTUAL SECURITY INTERESTS OF BOTH COUNTRIES AND THE REGION.

ALTHOUGH OUR MILITARY-TO-MILITARY RELATIONS ARE EXCELLENT, THERE ARE GROWING CIVILIAN AND POLITICAL ANXIETIES OVER U.S.

PRESENCE. THERE IS A HEIGHTENED AWARENESS OF LIMITED REAL ESTATE FOR EXPANSION OF THEIR ECONOMY AND THEREFORE RAISED SENSITIVITIES TO THE PRESENCE OF U.S. FORCES, THE LAND THEY OCCUPY AND THE AIR/LAND/SEA SPACE THEY TRAIN IN. IN SPITE OF THE GROWING CRITICISM, WE MUST KEEP IN PERSPECTIVE THE IMPORTANCE OF FORWARD DEPLOYMENT IN THE CRITICAL NORTHEAST ASIA REGION.

CONCERNING BURDENSHARING, THE JAPANESE HAVE DONE MUCH, BUT I BELIEVE THE JAPANESE CAN AND SHOULD DO MORE. WE ARE LOOKING FOR INNOVATIVE WAYS TO IMPROVE COSTSHARING. WE'RE FURTHER EXPLORING MAJOR JAPANESE CONTRIBUTIONS TO ASSIST ECONOMIC DEVELOPMENT AND STABILITY AROUND THE PACIFIC. OUR APPROACH MUST BE MEASURED AND COMPREHENSIVE; AND WE NEED TO WORK CLOSELY WITH THEIR OFFICIALS TO KEEP THE MOMENTUM GOING.

SOUTH KOREA:

THE ECONOMIC STRENGTH OF KOREA AND ITS IMPROVED DEFENSE POSTURE IS AN IMPORTANT REGIONAL DEVELOPMENT. IN SPITE OF SOME ENCOURAGING EFFORTS CONCERNING NORTH-SOUTH TALKS, THE SECURITY SITUATION REMAINS UNCERTAIN.

IN CONCERT WITH OUR ROK ALLIES, WE ARE EXAMINING WAYS THE SOUTH KOREANS CAN ASSUME EVEN GREATER RESPONSIBILITY FOR THEIR OWN DEFENSE. BUT THE THREAT HAS NOT DEMINISHED. OUR FORCE PRESENCE WILL CONTINUE TO BE REQUIRED AS A PROVEN DETERRENT TO NORTH KOREAN ADVENTURISM. WE SHOULD NOT CONSIDER REDUCTION OF

THIS PRESENCE UNTIL SUCH TIME AS WE SEE VISIBLE AND MEASURABLE TENSION REDUCTIONS AND A DIMINISHED THREAT. VOICES OF ANTI-AMERICANISM NOTWITHSTANDING, THIS POSITION IS SUPPORTED BY MOST OF OUR KOREAN FRIENDS.

WHILE SOUTH KOREA IS ALREADY CONTRIBUTING SUBSTANTIALLY TO THE COST OF MAINTAINING OUR FORCES ON THE PENINSULA, WE ARE EXAMINING WAYS FOR THEM TO INCREASE THEIR CONTRIBUTIONS. THESE INITIATIVES INCLUDE AIRCRAFT MAINTENANCE, CONSTRUCTION, AND LABOR COST SHARING.

AUSTRALIA:

OUR ALLIANCE RELATIONSHIP WITH AUSTRALIA IS VERY CLOSE AND WILL REMAIN AN EQUAL PARTNERSHIP BASED ON SHARED GOALS AND INTERESTS. THE AUSTRALIAN GOVERNMENT REMAINS COMMITTED TO DETERRENCE AND ARMS CONTROL BY PARTICIPATION IN JOINT FACILITIES AND THE GRANTING OF ACCESS FOR U.S. SHIPS AND AIRCRAFT. AUSTRALIA AND OUR BILATERAL RELATIONSHIP UNDER THE ANZUS TREATY REMAIN A CORNERSTONE OF STABILITY AND PEACE IN THE SOUTH PACIFIC AND SOUTHEAST ASIA. I AM ENCOURAGED BY THE EXISTING STRENGTH OF AUSTRALIAN-U.S. RELATIONS AND ITS BRIGHT OUTLOOK FOR THE FUTURE.

ASSOCIATION OF SOUTH EAST ASIAN NATIONS:

THE ASEAN NATIONS HAVE MADE MUCH PROGRESS IN POLITICAL AND ECONOMIC COOPERATION. WE HAVE DEVELOPED STRONG AND VIABLE BILATERAL FRIENDSHIPS WITH THE ARMED FORCES OF EACH OF THESE NATIONS. MUTUAL DEFENSE ARRANGEMENTS WITH THAILAND AND THE PHILIPPINES ACCENT OUR STRENGTH IN THE REGION.

IT IS ENCOURAGING THAT THERE HAS BEEN SOME PROGRESS TOWARD A DIPLOMATIC SOLUTION TO THE CAMBODIAN CONFLICT AND THE VIETNAMESE WITHDRAWAL FROM CAMBODIA. THE CAMBODIAN PRINCIPALS AND THE ASEAN STATES CONTINUE TO DISCUSS THE KEY ISSUES AND ARE MOVING TOWARD A SECOND JAKARTA INFORMAL MEETING. WE FIRMLY SUPPORT ASEAN IN THIS EFFORT TO PRODUCE A REGIONAL SOLUTION BY THE NON-COMMUNIST NATIONS OF THE REGION. THE ADJUNCT PROBLEM TO THE VIETNAMESE WITHDRAWAL IS COMPLICATED BY THE FACT THAT THE KHMER ROUGE HAS TARGETED THE NON-COMMUNIST FACTIONS OF THE COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA. THE U.S., USSR, AND CHINA SHOULD PURSUE EFFORTS TO HASTEN THE VIETNAMESE WITHDRAWAL AND TO INSTALL A SUITABLE COALITION GOVERNMENT THAT ASSURES THE CAMBODIAN PEOPLE THERE WILL NOT BE A REPEAT OF THE GENOCIDE THAT WAS COMMITTED BY THE KHMER ROUGE FACTION. THE ASEAN EFFORTS WILL ONLY SUCCEED WITH COOPERATION AMONG THE MANY NATIONS WHO HAVE AN INTEREST IN RESTORING REGIONAL PEACE AND HUMAN RIGHTS.

THAILAND:

THAILAND IS OUR STAUNCH ALLY IN A COMMUNIST DOMINATED SOUTHEAST ASIA PENINSULA. THE U.S.-THAI MILITARY RELATIONSHIP HAS CONTINUED TO GROW IN A VERY POSITIVE WAY. WE HAVE GREATLY IMPROVED OUR INTEROPERABILITY WITH THE THAI ARMED FORCES AS EXEMPLIFIED IN COBRA GOLD, A JOINT/COMBINED EXERCISE THAT IS NOW THE LARGEST SUCH TRAINING EFFORT THE U.S. CONDUCTS IN SOUTHEAST ASIA. THE WAR RESERVE STOCKPILE PROGRAM, WHICH WE SIGNED WITH THAILAND IN 1987, IS NOW BEING IMPLEMENTED. IT WILL ENHANCE THE THAI ARMED FORCES' CAPABILITY TO SUSTAIN COMBAT IN DEFENSE OF THAILAND. WE ARE ALSO COOPERATING CLOSELY WITH THE THAIS IN THE ESTABLISHMENT OF A NEW AIR DEFENSE SYSTEM. THESE ACTIVITIES ARE TANGIBLE EVIDENCE OF U.S. COMMITMENT AND RESOLVE TO MAINTAIN OUR IMPORTANT FRIENDSHIP WITH THAILAND.

PHILIPPINES:

I AM CAUTIOUSLY OPTIMISTIC THAT THE GOVERNMENTS OF THE PHILIPPINES AND THE U.S. WILL SEE IT IN THEIR MUTUAL BEST INTERESTS FOR U.S. MILITARY PRESENCE TO CONTINUE IN THE PHILIPPINES BEYOND 1991. AT THE SAME TIME, I RECOGNIZE THAT WE WILL FACE SIGNIFICANT HURDLES WITH THE PHILIPPINES ON ISSUES SUCH AS ASSISTANCE LEVELS, CRIMINAL JURISDICTION, AND UNHAMPERED MILITARY OPERATIONS. NEVERTHELESS, I BELIEVE THE AS YET UNSCHEDULED NEGOTIATIONS STAND A STRONG CHANCE OF SUCCEEDING BECAUSE OF THE IMPORTANCE OF THE RP/U.S. RELATIONSHIP TO BOTH COUNTRIES AND TO ASIA AS A WHOLE.

OFTEN UNSAID IS THAT THE U.S. FACILITIES ARE EQUALLY AS IMPORTANT TO THE PEACE AND STABILITY OF THE ENTIRE PACIFIC BASIN. AS PARTNERS IN FORWARD POSITIONING OF U.S. FORCES, WE SHARE WITH THE PHILIPPINES A MAJOR ROLE IN PROMOTING REGIONAL BALANCE AND MUTUAL SECURITY.

IN THE EVENT OF A FAILURE TO REACH AGREEMENT FOR CONTINUING ACCESS TO THE PHILIPPINE BASES THERE ARE ALTERNATIVES. RELOCATION WOULD BE EXPENSIVE, TAKE YEARS TO COMPLETE, AND WOULD NOT NECESSARILY PROVIDE THE SAME GEOSTRATEGIC ADVANTAGES WE NOW ENJOY. ADJUSTMENTS IN OUR POSTURE COULD NEGATIVELY AFFECT THE CONFIDENCE OF OUR FRIENDS IN THE AREA AND DRAW OUR RESOLVE INTO QUESTION. WHILE OUR OBLIGATION TO CONTINUE TO FULFILL OUR RESPONSIBILITIES TO OUR FRIENDS AND ALLIES WOULD REMAIN UNCHANGED, WE WOULD HAVE TO WORK EXTRA HARD TO REASSURE THEM.

SOUTH PACIFIC:

IN EXERCISING MY PEACETIME STRATEGY WE MUST CONTINUE TO FOCUS A SIGNIFICANT LEVEL OF ATTENTION TO THE SOUTH PACIFIC. DISASTER RELIEF EFFORTS, CIVIC ACTION PROJECTS, AND VARIOUS SECURITY ASSISTANCE EFFORTS ARE SERVING MUTUAL INTERESTS AND PROVIDING MUCH NEEDED TRAINING OPPORTUNITIES AND OBVIOUS BENEFITS TO THE ISLAND COUNTRIES. AS WE ADJUST OUR FORCE LEVELS IN THE GULF, WE'LL INCREASE SHIP VISITS IN THE PACIFIC. THESE PEACETIME STRATEGY INITIATIVES ARE DESIGNED TO COUNTER SOVIET EFFORTS TO

EXPAND THEIR INFLUENCE IN THE AREA. OF PARTICULAR CONCERN IS THE EFFORT TO FORM A NUCLEAR FREE ZONE AND CHALLENGE U.S. NUCLEAR DISCLOSURE POLICIES.

REGRETTABLY, THE GOVERNMENT OF NEW ZEALAND'S SHIP BAN POLICY CAUSED US TO SUSPEND OUR SECURITY OBLIGATION TO NEW ZEALAND UNDER THE ANZUS TREATY. IT'S A SAD THING TO HAPPEN BETWEEN OLD FRIENDS AND ALLIES, AND THE RESULT IS DIMINISHED SECURITY IN THE SOUTH PACIFIC AND ELSEWHERE. IF ALLIANCES ARE FOR THE PURPOSE OF PREVENTING WAR, AND THEY ARE, THE WEAKENING OF ANZUS MAKES THE WORLD A LESS SAFE PLACE. WE LOOK FORWARD TO THE DAY WHEN WE CAN RETURN TO TRILATERAL COOPERATION UNDER THE ANZUS TREATY, BUT NOT AT THE EXPENSE OF OUR "NEITHER CONFIRM NOR DENY" POLICY. IN THE MEANTIME, OUR REGIONAL ALLIANCE INTERESTS RESIDE IN THE STRONG BILATERAL SECURITY RELATIONSHIP BETWEEN THE U.S. AND AUSTRALIA.

CHINA:

CHINA CONTINUES ON A PATH OF ECONOMIC AND MILITARY MODERNIZATION. THEY ARE KEY PARTICIPANTS IN MANY ASIAN EQUATIONS. THE SINO-SOVIET SUMMIT COULD REDUCE BORDER TENSIONS; CHINA IS A CONSIDERATION IN ANY U.S. NORTHEAST ASIA STRATEGY; TENSIONS WITH TAIWAN APPEAR TO BE EASING; CHINA HAS DEMONSTRATED FORCE PROJECTION RESOLVE IN ADVANCING ITS CLAIM IN THE SPRATLY ISLANDS; CHINA WILL PLAY AN IMPORTANT ROLE IN THE CESSATION OF HOSTILITIES IN CAMBODIA, AND, CHINA-INDIA TALKS ARE ALSO AN

ENCOURAGING SIGN. CHINA IS A CRITICAL FACTOR IN POLITICAL/MILITARY ACTIVITY THROUGHOUT ASIA.

I BELIEVE THAT CHINA WILL CONTINUE TO LOOK TO THE WEST FOR THE TECHNOLOGY AND EXPERTISE IT NEEDS. AS A FUNDAMENTAL FEATURE OF OUR POLICY IN ASIA, THE U.S. SHOULD CONTINUE THE RELATIONSHIP WITH CHINA THAT, ON THE ONE HAND, OFFERS CLEAR BENEFITS FOR ITS CONTINUED PEACEFUL DEVELOPMENT, AND, ON THE OTHER HAND, ENCOURAGE CHINA TO STEER A COURSE WHICH PROMISES STABILITY THROUGHOUT THE REGION.

INDIA:

INDIA CONTINUES TO GROW MILITARILY AS A MAJOR, NON-ALIGNED POWER IN THE REGION. INDIA'S MILITARY BUILDUP IN BOTH DEFENSIVE AND OFFENSIVE SYSTEMS, MOSTLY OF SOVIET ORIGIN, IS IMPRESSIVE. WHILE THE SOVIETS CONTINUE AS THEIR MAJOR ARMS SUPPLIER, INDIA IS A DEMOCRATIC COUNTRY WITH VITAL INTEREST IN A SUCCESSFUL RELATIONSHIP WITH THE WEST. THERE IS A MUTUAL BENEFIT IN MORE EXTENSIVE AND GENERALLY IMPROVED MILITARY-TO-MILITARY RELATIONS BETWEEN THE U.S. AND INDIA. AN IMPROVING RELATIONSHIP BETWEEN INDIA AND THE U.S. SHOULD NOT BE A CAUSE FOR CONCERN AMONG OUR OTHER FRIENDS IN THE REGION. BECAUSE THE U.S. GOVERNMENT RECOGNIZES THE POTENTIAL INDIA HOLDS FOR BEING A STABILIZING FORCE IN THE REGION, WE ARE EXPANDING OUR DEFENSE CONTACTS WITH INDIA TO ENHANCE PROSPECTS FOR MUTUAL COOPERATION.

WHAT DO WE NEED?

AS DISCUSSED IN THIS STATEMENT, WE HAVE A DYNAMIC PEACETIME STRATEGY THAT MAINTAINS A SECURITY UMBRELLA UNDER WHICH DEMOCRACIES CAN FLOURISH, ECONOMIES CAN PROSPER AND HUMAN RIGHTS CAN IMPROVE. THE KEY IS SUSTAINED INFLUENCE AND ACCESS THROUGH MULTIPLE BILATERAL ASSOCIATIONS. A SECURITY ASSISTANCE PROGRAM WITH ADEQUATE FUNDING LEVELS AND FLEXIBILITY THROUGH REDUCED EARMARKING HAS THE POTENTIAL TO ACCRUE ENORMOUS DIVIDENDS IN RELATION TO LEVELS OF EXPENDITURES. SIMILARLY, COOPERATIVE PROGRAMS, INVESTMENTS IN COMBINED EXERCISES, ALONG WITH HUMANITARIAN AND CIVIC ASSISTANCE UNDER TITLE 10 HAVE GENERATED REMARKABLE POLITICAL-MILITARY BENEFITS. CONTINUED CONGRESSIONAL ATTENTION TO THESE PROGRAMS IS ESSENTIAL.

RECAPPING OUR MILITARY DETERRENT POSTURE, I BELIEVE OUR FORCES ARE READY AND PROPERLY POSITIONED TO CONTINUE TO DISCOURAGE CONFLICT. MY OVERALL PRIORITIES CONTINUE TO BE PEOPLE, READINESS, AND SUSTAINABILITY. AS WE LOOK TO THE FUTURE TO MODERNIZE AND KEEP PACE WITH SOVIET CAPABILITIES, MY TOP BUDGET PRIORITIES ARE (1) ANTISUBMARINE WARFARE -- PROTECTION OF OUR LINES OF COMMUNICATIONS IS VITAL; (2) SURVEILLANCE AND INTELLIGENCE -- CONSIDERING THE VAST SIZE OF OUR AREA OF RESPONSIBILITY, IT IS ESSENTIAL THAT CURRENT EARLY WARNING PROGRAMS SUCH AS OVER-THE-HORIZON RADARS REMAIN ON TRACK. THESE PROGRAMS PROVIDE US WITH THE VITAL CAPABILITY TO ASSESS

INTENTIONS EARLY AND IMMEDIATELY BEGIN TO POSITION FORCES; (3) AIR WARFARE -- IMPROVED LONG RANGE INTERCEPT WITH MODERN THREAT MUNITION CAPABILITY IS ESSENTIAL TO ENSURE VICTORY. WE MUST PROTECT OUR BUYS OF PREFERRED MUNITIONS, AT LEAST UNTIL WE MEET THE BASIC REQUIREMENTS; (4) STRATEGIC LIFT -- CARRYING THE FIGHT TO THE ENEMY ON OUR TERMS CANNOT BE ACCOMPLISHED SATISFACTORILY WITHOUT ATTENTION TO THIS AREA. WITHOUT MOBILITY THAT IS READY AND TIMELY IN ITS EXECUTION, I CANNOT REINFORCE NOR RESUPPLY. CURRENT PROGRAMS SUCH AS THE FUNDING OF THE AIRLIFT/SEALIFT OPERATING ACCOUNT AND THE C-17 BUY ARE ESSENTIAL; (5) AND FINALLY, SUSTAINABILITY -- WE MUST CONTINUE TO INCREASE STOCKAGE LEVELS AND THEREBY DECREASE THE RISK OF DEFEAT FROM A PROTRACTED CONFLICT. YOUR SUPPORT OF THESE IMPORTANT ONGOING PROGRAMS THROUGHOUT THE BUDGET PROCESS WILL ENSURE AN ADEQUATE, WELL POSTURED, DETERRENT FORCE.

CONCLUSION

IN SUPPORT OF OUR PEACETIME AND WARTIME STRATEGIES WE HAVE THE FINEST FORCE OF SOLDIERS, SAILORS, AIRMEN AND MARINES THAT I HAVE EVER SEEN IN MY 37 YEARS OF MILITARY SERVICE. THANKS IN LARGE MEASURE TO THE SUPPORT OF THIS SUBCOMMITTEE, PACIFIC COMMAND MILITARY FORCES ARE EQUIPPED, TRAINED, AND MOTIVATED TO RESPOND TO ANY THREAT. THE MEN AND WOMEN IN THE PACIFIC COMMAND ARE MAINTAINING THE HIGH LEVELS OF READINESS WE'VE COME TO EXPECT IN THE LAST FEW YEARS. THE DEDICATION AND SKILL THAT OUR PEOPLE ARE DEMONSTRATING ON A DAILY BASIS ARE IMPRESSIVE. OUR ABILITY

TO EQUIP PROPERLY AND SUSTAIN OUR FORCES IN WARTIME IS INCREASING INCREMENTALLY AS MODERN WEAPON SYSTEMS AND MUNITIONS COME ON LINE. I AM PROUD OF THE MILITARY FORCES WITHIN THE U.S. PACIFIC COMMAND. WE OWE THEM OUR FULL SUPPORT, ESPECIALLY IN THE AREA OF PAY INCENTIVES AND QUALITY OF LIFE PROGRAMS THAT ARE SO NECESSARY TO RETAIN OUR MOST VALUABLE RESOURCE.

THE STATE OF THE U.S. MILITARY IN THE PACIFIC IS THE BEST I'VE EVER SEEN. THE FORCES AND TROOPS WE HAVE CAN DO THE JOB AND GIVE THE SOVIETS PAUSE TO CONSIDER. WITH YOUR CONTINUED SUPPORT, WE CAN DETER AND IF NECESSARY DEFEAT THEM IN THE PACIFIC THEATER. ALTHOUGH WE ARE SPREAD THIN WITH ONLY 20% OF U.S. FORCES DEDICATED TO PROVIDING SECURITY AND STABILITY FOR OVER 50% OF THE EARTH'S SURFACE, OUR FORWARD BASING STRATEGY HAS DETERRED SOVIET EXPANSION AND AGGRESSION. MOREOVER, IT HAS MAINTAINED AN ENVIRONMENT THAT HAS STIMULATED ECONOMIC GROWTH AND STABILITY THROUGHOUT THE PACIFIC. THE ADMINISTRATION, THE U.S. CONGRESS, AND THE AMERICAN PEOPLE CAN BE PROUD OF THESE ACCOMPLISHMENTS. I AM CONVINCED WE NEED TO CONTINUE OUR FORWARD BASING STRATEGY AND AUGMENT OUR PEACETIME AND ALLIANCE STRENGTHENING EFFORTS SO THAT WE CAN MAINTAIN OUR LEADERSHIP ROLE IN THE PACIFIC.

PHILIPPINES SITUATION

Mr. **Murtha**. What is your assessment of the situation in the Philippines?

Admiral **Hardisty**. I am cautiously optimistic. Mrs. Aquino's first 1,000 days are a success story. They have turned the economy around from a negative growth to a real growth of 6.5 percent. The insurgency is still a problem. To get at the insurgency you have got to turn the Philippine economy around and get at the grass root problems.

The armed forces of the Philippines today has better leadership than it has had in the past. They are putting better people in the field. They are containing the insurgency but they have got a long way to go. I don't think you will ever win that battle on the battlefield. You have got to win it economically and philosophically. Unless one grasps a good opportunity to do that, the insurgency will be around for awhile. The Philippines recognize the need for the United States to be there. We provide for the external security while they can look at their internal security and the insurgency threat.

The compensation package of $461 million a year seems a lot in compensation. The previous five-year agreement of $180 million a year best effort included ESF and other assistance that totaled over $400 million. So the delta of $400 to $461 is not all that much, but I think that is the upper limit. The key to success in the renegotiations in some kind of debt relief for the Philippines. That debt is over $29 billion.

There is a mini-Marshall Plan or multilateral aid plan under discussion now with the past administration and current administration heavily financed by Japan to provide about $10 billion in debt relief to the Philippines over a 25-year period of time. I think that is the key to success, but the quid pro quo for debt relief ought to be that the United States facilities remain.

There is no good alternative to the Philippines. We can fall back. We might move forward a little bit. But the alternatives are expensive, not as good. The Philippines are astride the South China Sea. The ASEAN nations realize the Philippines is not a U.S. problem. It is a Pacific problem. Throughout ASEAN they all recognize and want the U.S. presence in the Philippines because it creates the stability and a security umbrella in the region, which has allowed for this tremendous economic growth and prosperity.

PACIFIC MILITARY ASSISTANCE PROGRAM

Mr. **Murtha**. Last year Admiral Hays mentioned that one of his problems was he didn't have enough military assistance money or sufficient flexibility with that money. The State Department put together a list amounting to $100 million; this is for the entire world. Did you have input into that list? Have you seen that list?

Admiral **Hardisty**. I have heard of that list. I didn't have a direct input into it, although I had input on restoral of $20 million to Thailand, which is a strong ally, and also the restoration of an amount for Indonesia. Those were the two areas that we strongly supported in CINCPAC. The Department of Defense supported those and I understand they are a part of that $100 million package.

SUSTAINABILITY

Mr. **Murtha** Did you say you are starting to have spare parts problems or did I misunderstand you?

Admiral **Hardisty**. Not spare parts problems. When I said sustainability, the bins are full but I see a leveling off in the amount of money we are putting in there, and that is a calculated risk when you assess the priorities. I won't change the priorities. I only mentioned sustainability from the viewpoint that I would not like to see us go backwards. I think we are leveling off right now in that area.

Mr. **Murtha**. Were you restricted by operation and maintenance money in any of your steaming exercises last year?

Admiral **Hardisty**. I was not, although exercise funding was reduced last year. I am talking about joint exercise funding, from about three to four percent. Over the last three years we have been taking cuts, but we have been doing business a little smarter and getting more bang for our buck.

Unlike NATO, most of my exercises end up being bilateral based upon our mutual security agreements with our allies. I think further reductions would hurt not only our training but the training of our close allies.

Mr. **Murtha**. In the Persian Gulf we had the incident with the U.S.S. *Samuel B. Roberts*. I have seen it stateside since then, and my comment has been the sailors were so well trained, they saved a $400 million ship. The training was of such a high level, we were able to save the ship, and under almost any circumstances we should have lost the ship. I assume you are saying we are still at that high level of readiness?

Admiral **Hardisty**. Yes sir, we are at that high level of readiness. I am confident that had the *Roberts* situation occurred in other areas in the Pacific or in the Pacific Fleet, that our people would be ready and would have performed as well.

Mr. **Murtha**. Do you have a sufficient amount of war reserve stocks and munitions on hand?

Admiral **Hardisty**. We have not met the DOD guidance ———.

OVERSEAS TROOP LEVELS

Mr. **Murtha**. We are in a phase where we have five or six big programs in the Department of Defense such as the B-2, the V-22, the LHX, the C-17, the small intercontinental ballistic missile the MX, which will assure a big shre of DOD resources. We also have obligations all over the world. We have been accepting more and more responsibility so that since World War II we have gotten substantial worldwide responsibility.

One of the ways to continue to modernize, to be able to continue to spend money on training and readiness is if we reduce the number of troops. I know the Navy has been hit hard. In Korea your predecessor felt that after the Olympics, there was a possibility that we could start withdrawing some troops from Korea. What is the situation there? When could we start withdrawing troops, if you agree with that?

Admiral **Hardisty**. ———.

However, the democratic process in Korea is at an interesting phase. It is changing overnight. In 18 months that country has come to having a legislature, a free press and so forth. It is not a majority government; it is more a consensus government. The President got in with 36 percent of the popular vote. At the present time the democratic process is still fragile.

The opposition is strong. There is a lot of anti-Americanism in the press. Certainly the President, the senior government and military leaders assure me, assure General Menetrey that the anti-Americanism is more of a nationalism, a free expression.

You have also heard that maybe the command relation should be changed and ———.

Mr. MURTHA. Would Korea feel the same way?

Admiral HARDISTY. Yes, sir; absolutely. ———.

Mr. MURTHA. Mr. McDade.

BALLISTIC MISSILES IN THE PACIFIC

Mr. McDADE. Thank you, Admiral. We appreciate your statement and are glad to hear that things are generally in good shape.

I think it was CINCPAC or someone in the Navy who indicated that the Soviets apparently had introduced a ballistic missile submarine that apparently was in violation of a common understanding on, as I understand it, capping the numbers that were going to be put out there. Would you tell the Committee what that is all about?

Admiral HARDISTY. Yes, sir. In July 1986, Secretary General Gorbachev spoke at Vladivostok. He had six or seven principles and one was he would pull out of Camranh Bay if we pulled out of our facility in Subic, et cetera.

Another key point was that he would not introduce any additional nuclear weapons into the Pacific. We have seen a Delta III and a Charlie II come around this year, ———.

Mr. McDADE. Where are they located?

Admiral HARDISTY. ———.

Mr. McDADE. What is the range?

Admiral HARDISTY. ———.

Mr. McDADE. Ultimately you will have an increase of how many?

Admiral HARDISTY. He said he would not increase or introduce new nuclear weapons into the Pacific, but he has done that.

Mr. McDADE. How many new SS-25s?

Admiral HARDISTY. ———. The Delta III and its ballistic missile would be an introduction of a new nuclear capability, if you will, as well as the Charlie.

Mr. McDADE. What is the patrol that Delta III would be on?

Admiral HARDISTY. ———.

Mr. McDADE. From where to where?

Admiral HARDISTY. ———.

Mr. McDADE. Have you had an opportunity to discuss with your Soviet counterpart that apparent breach of Gorbachev's comments?

Admiral HARDISTY. No, we have not. Admiral Jeremiah, Commander in Chief of the Pacific Fleet, in a speech last week talked about this Delta III and so forth. The only feedback I have gotten—I have talked a little bit in speeches and been quoted as saying that the Soviet actions have not matched their rhetoric. There have been a lot of promises, but we don't see anything changing in the Pacific. In fact, we see a qualitative and quantitative improvement in their capability.

The Soviet Pacific fleet since 1986 has increased by some 25 ships. They are not all major surface combatants, but even those are up.

We have had no direct military-to-military contact or political contact that I know of which took exception to the Soviet figures.

Mr. **McDade**. Do you have any personal opinion—and I know this is a very speculative question—about why, given their statements, they would turn around and do the opposite of what Gorbachev indicated? Do you have anything that you can enlighten the Committee about why that would be going on in a period of apparent lessening of tensions?

Admiral **Hardisty**. It might be a balancing of forces. I think they may have a five-year acquisition plan and weapons systems are still rolling off. You can't stop the momentum of what has already been programmed and that is being put into the field. At the same time, certainly Mr. Gorbachev wants to cut military costs and put more money into the economy. That is the best answer I have.

Mr. **McDade**. So it is more a normal rotation or upgrade, in your opinion?

Admiral **Hardisty**. I think a balancing of the forces as the forces become available.

CAMBODIAN SITUATION

Mr. **McDade**. Could you address yourself to Cambodia?

Admiral **Hardisty**. I have just been to Thailand and Indonesia. I called upon the prime minister in Thailand and the foreign minister, as well as the foreign minister in Indonesia. The Thais were pretty candid and seemed pretty confident that with their leadership role, we could probably solve that problem regionally.

Indonesia is involved in that process. But basically ———. It is obvious that China and Thailand are working the problem hard. The Chinese defense minister was there when I was there and I met with him. Hun Sing, the Cambodian government leader, came to Bangkok for talks, Sihanouk got upset with that. ———.

Although there are a lot of things to be worked out because of the Vietnamese economic situation and condition, we are making faster progress than many would have thought.

On the other hand, there has been no formula, if you will, on whether it would be an international peacekeeping force or what would be put in place. It is not clear how Japan will play, but Japan will have to be basically responsible for much of the economic revival of Vietnam.

Japan wants to be part of that effort, but the Vietnamese are reluctant. Both foreign ministers told me if JIM II proceeds the way they thought it would, they would invite the big powers and brief them on where they were. They would invite the Soviet Union, United States, and India to participate in the process.

The key is that we don't end up with a coalition government that puts the Khmer Rouge back in the driver's seat. Some way the

Khmer Rouge has to be controlled. ———. We need some kind of peacekeeping force or some kind of a commission in place to get at all those weapons that the Khmer Rogue have. If we can get at those and get a coalition government in which all parties are represented, I think that will be the key to success there. ———.

Mr. **McDade**. I was addressing myself to the necessity of a peacekeeping force. I said that would have to be a rather sizable group, would it not?

Admiral **Hardisty**. Yes, sir.

Mr. **McDade**. What kind of numbers do you think they need?

Admiral **Hardisty**. I haven't thought about that, Congressman. They are certainly going to have to get around that country, locate and destroy weapons or keep the caches under control. It may take a long time to find all those weapons. I would say a couple thousand.

Mr. **McDade**. If you need to amplify that for the record——

Admiral **Hardisty**. I will do that, Congressman.

[The information follows:]

I have checked with the Joint Staff to find an accurate assessment of the requirements for a Peacekeeping Force. To get a true picture we would have to thoroughly define the threat, take into account such elements as the terrain, the country's infrastructure, the goals of the force, and the composition of that force. As you can see, this is not an easy or rapid task. A recent peace proposal calls for a UN force of 2,000 to supervise the withdrawal of Vietnamese forces. If you want, we can fully pursue the subject.

Mr. **McDade**. Thank you, Mr. Chairman.

Mr. **Murtha**. Mr. Dicks.

SOVIET NAVAL THREAT

Mr. **Dicks**. Admiral, your statement gives a good description of the Soviet threat in the Pacific and concludes, in short, the threat of Soviet forces to the United States is the same or greater even if all current initiatives are fully carried out. Could you elaborate somewhat specifically on the Soviet naval threat in the North Pacific?

Admiral **Hardisty**. Yes, sir, I certainly can. The Soviet naval threat, the Soviet Pacific Fleet is the largest of their four fleets; they have two of their four aircraft carriers, one of their two nuclear cruisers there, and ——— Akula-class nuclear cruise-missile submarines. They quantitatively outnumber the United States Pacific Fleet.

They do present a threat to our sea lines of communication with their submarine warfare capability. However, they are geographically malpositioned. They are ringed by Japan. They have to transit three key straits to get to the open sea.

Although the Soviet Navy is a significant threat given the quality of our forces, and the fact that we are forward deployed, we could deter and defeat them if we had to, sir.

Mr. **Dicks**. Because of their threat, would this make the sea lanes for oil transport from Alaska to the lower 48 especially sensitive in a major conflict?

Admiral **Hardisty**. If their submarines could break out along the Aleutian chain, there would be a threat we would have to take care of. ———

We have the forces to do that. We have the ——— posture that could take care of that threat.

STRATEGIC HOMEPORTING

Mr. **Dicks**. One item I have been interested in is the Navy, and the former Secretary of the Navy and of course Secretary's Ball's support for the strategic homeporting program.

In our state we have the Everett homeport. The U.S.S. *Nimitz* will be there, which is temporarily now homeported in Bremerton, Washington, but will be reassigned to Everett. Don't you believe that having that carrier battle group there is an important part of meeting the threat in the North Pacific?

Admiral **Hardisty**. Yes, sir. I am sold on that. The Gulf of Alaska is tremendously important to us. I don't like all my eggs in one basket. I am a strong supporter of strategic homeporting and support that battle group being stationed at Everett.

Mr. **Dicks**. In my view, one savings that results from that is just the steaming time to get from Everett to train in the North Pacific, where today, as I understand, you have to bring the ships up from California or other places in order to do that training; is that correct?

Admiral **Hardisty**. That is correct. On the other hand, most of our training areas are in the Southern California area where we have our ranges and those type things. We don't have those kinds of facilities in the Gulf of Alaska or off the coast of Washington.

I think ultimately, as we adjust we will have training facilities in the Gulf of Alaska. We now have great training facilities on mainland Alaska.

SOVIET SUBMARINE ACTIVITY

Mr. **Dicks**. One area that I have been concerned about is, we have the Trident submarine base, a very important part of our deterrent, and as I understand it, the Soviet Union has from time to time had some exercises where they have brought attack submarines across, aimed at the Strait of Juan de Fuca. have they done that recently?

[Clerk's note.—Classified discussion removed.]

TAGOS SHIPS

Mr. **Dicks**. Last Saturday we had the launching of the 11th of the TAGOS ships at Tacoma Boat in my district. I am curious to get your impression of how effective those ships have been and the role that they play?

Admiral **Hardisty**. They play a tremendous role ever since we got them in the Pacific fleet. They are a fine ship. I think the Navy got more bang for their buck there than maybe any other ship investment in the system. They do a tremendous job and are a great adjunct to our ASW.

Mr. **Dicks**. I think people forget the fact that when we first discussed this, the fact that they were going to be civilian manned was an issue of great concern. It was feared there would be great turnover.

It turns out instead, while 34 or 35 percent turnover was anticipated, it has only been ten or eleven percent so that has worked out quite well.

Admiral **Hardisty**. It certainly has. It is a real success story. These guys are real seamen. The North Pacific has 50 foot seas in the wintertime.

I got a weather report from a TAGOS ship; winds were gusting to 85 knots and the seas were 50 feet. They stand upside down when they are in the Northern Pacific this time of the year. We bring them further south this time of the year. There is no doubt we get a lot of bang for our buck out of those civilian merchant mariners who man those ships.

Mr. **Dicks**. It has given us back some edge again, hasn't it?

Admiral **Hardisty**. ———.

Mr. **Murtha**. Mr. Livingston.

NAVAL AIRLIFT CAPACITY

Mr. **Livingston**. Admiral, last March Rear Admiral Smith, in a statement to the House Armed Service Subcommittee on Personnel, said that only ———. In your written statement you say that airlift is one of the top priorities of the Navy. Specifically does the Navy air reserve fit into this airlift equation, and how do they support the Pacific fleet wartime and peacetime logistics requirements?

Admiral **Hardisty**. At the present time we have ——— C–130s to support that mission. The bulk of it is our C–9 fleet flown by the naval reserve. They are on active duty training around the clock in peacetime. At any given time I may have ——— C–9s forward deployed, for a week or two, in the Pacific area of responsibility.

We do utilize those C–9s. In wartime we would use them the same way but might have to share them with Europe and the other CINCs. The C–9s are very important. I think when they were talking about heavy weight and out size, they were talking C–130 or C–17. The C–9 won't handle that type mission.

Mr. **Livingston**. So the C–130s do fit the bill for the mission?

Admiral **Hardisty**. The C–130s, sir, I believe are in that CNA study. I haven't seen the study, but I have ascertained that the C–130s are in the study and certainly the C–130 fits the category of heavy-weight.

Mr. **Livingston**. If you would, I would appreciate your amplifying for the record any details of this mission and also state what total the wartime readiness requirement for C–130 category aircraft is with this mission and how that compares with the numbers and age of the Navy's current inventory.

Admiral **Hardisty**. I will provide that for the record.

[The information follows:]

The Center for Naval Analysis (CNA) did not specifically look at the C–130 aircraft. A study was conducted by the CNA in 1986 which included all Navy Fleet Logistics Support aircraft (C–130F, C–9B, C–20, CT–39G, UC–12B). The study did not attempt to identify the best model of aircraft necessary for mission requirements. The specific aircraft types listed in the study were used because they are presently in the inventory or will be by the year 1991.

According to the study, the total wartime readiness requirement for "C–130 category" aircraft in the Pacific Fleet follows. ———.

Mr. **Livingston**. Would an increase in naval air reserve productivity corresponding with the introduction of C–130s in the naval air reserve increase the wartime logistics readiness of the Pacific fleet? You may cover that for the record.

[The information follows:]

The study did not discuss the Naval Air Reserve. Any increase in Pacific Fleet logistics support aircraft, whether it be in the active or reserve fleet, would benefit the wartime logistics readiness of the Pacific Fleet.

WEATHER RECONNAISSANCE

Mr. **Livingston**. Last year Admiral Hays testified how he fought unsuccessfully to prevent the withdrawal from the Pacific of the Air Force Weather Reconnaissance WC–130s and he testified he would have kept them if he had the chance. Can you give us an update on your feelings and what you believe the status of that mission is?

Admiral **Hardisty**. Two years ago I certainly would have agreed with Admiral Hays. I think even a year ago I would have said maybe for that one out of a hundred opportunities where we might have needed the weather reconnaissance aircraft vice the new satellite capability.

But I am comfortable that we have adequate warning with our satellite capability and it has proven to be very reliable and accurate. To date the forecasts have been good. We haven't been caught with our britches down in a typhoon because we were not able to fly through it or have that warning. We lost the aircraft, yes, sir.

[Clerk's note.—Classified discussion removed.]

LANDING CRAFT AIR CUSHION (LCAC)

Mr. **Livingston**. Last year the Navy requested 12 LCAC's. Based on successful operational tests, the committee provided funds for 15 craft.

How many craft do you have under your command and are you satisfied with them? How are they working out?

Admiral **Hardisty**. Very well. We have had several major exercises with our allies. I am a strong believer in the LCAC. We are getting used to it, the maintenance on it, and other kinds of learning curves; it is a significant increase in capability.

We can now cover over ——— where prior to that, the percentages were less than 10 percent worldwide. So it gives you tremendous flexibility in amphibious operations, and it is over-the-horizon.

Mr. **Livingston**. You were supposed to get a LCAC trainer. Has it been delivered?

Admiral **Hardisty**. I don't know. I will have to take that for the record.

Mr. **Livingston**. Any details about an LCAC trainer I would appreciate.

Admiral Hardisty. I will take it for the record.

[Clerk's note.—Classified insert removed.]

Mr. **Livingston**. You are satisfied it is a successful program?

Admiral **Hardisty**. Yes, sir, very.

Mr. **Livingston**. Thank you. I have additional questions for the record.

[CLERK'S NOTE.—Questions submitted by Mr. Livingston and the answers thereto follow:]

WEATHER RECONNAISSANCE

Question. As you know, the second to last GOES (Geostationary Operational Environmental Satellite) was lost in January. This was only one of two stationary NOAA satellites left that gathers data continuously all day on typhoons, hurricanes, and other weather formations. NOAA used to have three of these (1 each covering the Pacific, Central and Atlantic areas) of the United States. Now there is only one left that will have to be moved from the Eastern section of the U.S. to cover what three satellites used to cover.

I understand another GOES is not scheduled to be launched until July 1990. NOAA has polar orbiting satellites, but these only pass over a given location twice a day.

Could you please provide details for the record what assets you have left and what is being done in the meantime to compensate for this apparent grave deficiency in our weather satellite capability? What impact could this have on your Command?

Answer. GOES-6 (West) went down on 21 January 1989. The outage has limited meteorological satellite coverage over the Eastern Pacific (170W to U.S. West Coast). GOES-6 data was previously available at a rate of one image every half hour. GOES-6 specifically allowed for detailed tropical cyclone forecasting over the Hawaiian Islands and allowed us to track North Pacific winter storms.

WESTPAC is not affected because we use the Japanese Geostationary Satellite (GMS) to track typhoons and winter storms. In addition to NOAA polar orbiters we also have DOD polar orbiters (DMSP). However, we get only two passes per day with a limited slice of imagery with each polar orbiter. GOES East is slowly being shifted West to provide shared coverage of EASTPAC and WESTLANT.

The situation is workable. The major impact on the command is decreased capability to accurately forecast winter storm movement at sea in the North Pacific. In practice, however, we avoid the wintertime North Pacific for routine operations.

LANDING CRAFT AIR CUSHION (LCAC)

Question. How many LCAC deployments have there been to date?

Answer. We have had four LCAC deployments to date in PACFLT; 18 June–18 December 1987/U.S.S. *Germantown*/3 LCACs; 14 January–14 July 1988/U.S.S. *Fort Fisher* and U.S.S. *Peleliu*/3 LCACs; 16 June–16 December 1988/FT McHenry/3 LCACs; 12 January–12 July 1989/U.S.S. *Germantown*/4 LCACs; The fourth deployment was the first time an LSD-41 class deployed with the full 4 LCAC loadout per design capability.

Question. What type of LCAC operational readiness rates have you experienced to date?

Answer. The initial rate based on ——— sorties found a ——— readiness rate. Based on ——— operational LCAC sorties as of December 1988 overall readiness rate has been ———.

Question. Do you or have you had sufficient LCAC spares available?

Answer. ———.

[CLERK'S NOTE.—End of questions submitted by Mr. Livingston.]

Mr. MURTHA. Mr. Hefner.

BUY AMERICAN PROVISION

Mr. HEFNER. I just have one question and that is for the record. Section 8010 of the fiscal year 1985 Defense Appropriations Act prohibits funds for the procurement of certain articles and items unless grown, reprocessed, reused, or produced in the United States. This is referred to as the Buy American section and has been included in the Defense Acts for many years.

This year, the Department has proposed a new provison, which allows the procurement of such items in the Philippines if such procurement is made in, or for use in, CINCPAC's area of responsibility.

I would like you to explain why this language is necessary, what types of items will be procured in the Philippines, why these items have to be procured there, how will this impact on the industrial base of the United States, and provide a breakout for fiscal years 1990 and 1991 of the types of items to be procured, the estimated quantity and the estimated cost.

Admiral HARDISTY. I will be happy to do that. That was part of the language in this current agreement, which was a review of the military-based agreement. It was called "Buy Filipino." It was acceded to in the negotiating process because it is a form of compensation for the Philippine Government, and part of the bases review.

I will provide the rest for the record, sir.

Mr. HEFNER. Thank you.

[The information follows:]

The necessity for such language comes directly from the 1988 U.S.-RP Military Bases Agreement (MBA) Review. The proposed proviso is the result of the natural evolution of process that began with the 1983 MBA Review, one provision of which was that "United States forces shall procure goods and services in the Philippines to the maximum extent feasible". During her visit to Washington in 1986, President Aquino requested expanded U.S. economic assistance for her country. In response, the U.S. Department of Defense began a "Buy Philippines Program" aimed at identifying, advising and assisting potential Philippine suppliers, in order to expand the range of goods and services available to U.S. forces in-country. This program included appropriate Secretary of Defense waivers to the International Balance of Payments (IBOP) program, as well as to applicable General Services Administration and Defense Logistics Agency prohibitions. In FY 1988, U.S. forces' total procurement from Philippine sources was $216,303,795, and included petroleum products, food, drink, service and construction contracts and utilities. Under this program Philippine goods and services are purchased only if they are competitive, both in quality and price, with comparable U.S. products. Thus, U.S. forces in-country get needed products at the best possible price, while at the same time the U.S. government provides a substantial boost to the Philippine economy, without any requirement to appropriate additional aid funds. "Buy Philippines" has been so successful that its expansion was pursued vigorusly by the Philippine panel during the 1988 MBA Review, and ultimately it was incorporated into the Memorandum of Agreement.

The greatest immediate opportunity (FY 1990-91) to expand the USCINCPAC market for Philippine products lies in freeing U.S. restrictions against the purchase of Philippine items currently subject to the Berry Amendment, specifically processed food products and textiles. In FY 1988 the U.S. Naval Supply Depot at Subic Bay issued the following quantities of U.S. sourced items subject to Berry Amendment restrictions:

Item	Fiscal year—	
	1988 value	1990-91 projection
Canned/frozen seafood	$3,046,000	$18,000,000
Sugar	510,000	3,000,000
Canned pineapple	70,000	420,000
Rice	140,000	840,000
Coveralls	375,000	2,250,000
Men's underwear	295,000	1,770,000
Miscellaneous apparel	187,000	1,122,000
Linens	161,000	966,000
Total	4,784,000	28,368,000

Values depicted are for U.S. Navy personnel permanently stationed at Subic Bay and for sailors of the U.S. Seventh Fleet. A relatively simple application of these consumption figures to the remaining U.S. military forces in the Philippines, Korea, Japan, Diego Garcia and Australia suggests that the total potential market for these products throughout USCINCPAC could approach $28 million annually. That's a six-fold increase.

The greatest long term opportunity (beyond FY 1991) to expand the USCINCPAC market for Philippine products lies in convincing the GOP to commit to good faith negotiations on adherence to the U.S. Trade Agreements Action of 1979, which implements the General Agreement on Trade and Tariffs (GATT) procurement code. This would entitle the Philippines to a blanket waiver to U.S. domestic trade restrictions, because it would give them special status as a "designated country". As of 1 March 1989, the GOP has not committed to such negotiations. In the meantime, we are pursuing a product specific waiver with the U.S. Trade Representative in Washington to allow the purchase of Philippine made furniture for use by U.S. Marine forces on Okinawa.

I do not believe it appropriate for me to comment on the potential impact of these measures on the industrial base of the United States, but their potential benefit to the Philippine economy, and therefore to Philippine national stability, is great indeed. Perhaps most importantly, during upcoming base renegotiations the economic contributions of the U.S. facilities to the Philippines will be a very real selling point for continuing the U.S. military presence, as they figure prominently in the total Philippine GNP.

Mr. MURTHA. Mr. Sabo.

BUDGETARY PRESSURES

Mr. SABO. Thank you, Mr. Chairman. Admiral, welcome to the Committee. I have a problem this year—I tend, at this time of the year, to be a pessimist. I wonder where we are in terms of our budget problems in 1989. All the projections that I see would indicate that to meet our Gramm-Rudman-Hollings targets using some very optimistic economic assumptions, reductions should be $25 billion.

If we get to August, at which time we readjust and it becomes obvious that those assumptions are in error, we could be looking at something like a $35 billion reduction to meet the Gramm-Rudman-Hollings targets.

The existing Congressional policy as declared in that law says half of those cuts come from defense, half comes from domestic programs, which means we could be looking in the neighborhood of $12 billion to $18 billion of outright cuts out of defense for the services, with the Budget Authority figure being substantially higher, depending on whether we include personnel or not.

How that congressionally declared policy changes as the year goes on, I don't know, whether we come to agreement with the administration on revenues or make any adjustments in that formula for cuts. But all of the indications would be that we are looking at a very, very tight budget. Many of the recommended cuts by the previous President are ones that have come up here before and never achieve any support. They are unlikely to achieve support this year either.

I am just curious. As we look at those kinds of numbers, if the final numbers that we have to deal with are in this neighborhood of cuts, what should our relative priorities be between procurement and personnel. Shall we be looking at some of cuts in personnel? If we do that, it is going to reduce budget authority less. If we don't look at personnel, then the budget authority cuts and the procurement in particular will have to be much greater.

Admiral **Hardisty**. They certainly do.

Mr. **Sabo**. I don't expect you to be specific, but how do we sort those out?

Admiral **Hardisty**. Well, it would be tough to sort out, sir, $12 to $18 billion is a little higher figure than even I had thought about at least in Fiscal Year 1990. If we had to take a hit on Gramm-Rudman-Hollings, I was looking at more like $6 to $8 billion. Be that as it may, I don't want a hollow force. I would have to have a target. I would initially take the prudent reductions in all accounts.

Gramm-Rudman-Hollings says you will take something out of everything. Under that trigger you have to figure out which West Point cadet and which Annapolis midshipman is cut from the program.

Mr. **Sabo**. Nobody wants to do it.

Admiral **Hardisty**. I think prior to that triggering, Congress and the Administration would have to make some cuts. The cuts would have to be balanced across the board, so we don't have a hollow force.

We have to continue with our modernization. I would balance the cuts if I could.

Mr. **Sabo**. Your answer would be that if we have to move in that direction, to include personnel as part of the cuts?

Admiral **Hardisty**. If you take force structure out, you ought to take the people out. I think we have to have that kind of a balance.

I don't advocate cutting personnel. We have a quality force and they are hard to come by. We work hard at retention. Given that, I think we have to cut across the board in a balanced way, sir.

Mr. **Murtha**. Would the gentleman yield?

Mr. **Sabo**. Yes.

Mr. **Murtha**. The thing that I think Mr. Sabo is getting at is really the key, will we be able to solve the budget not only for this year but for next year? That is why I asked you about Korea, because I feel we have to be careful how we handle it this year because the procurement programs ramp up so big next year. People are 100 percent outlay, so you get so much more savings.

The people in Europe told us they would rather see a smaller force with the things that they needed to do the fighting rather than go back to the days where we didn't have the equipment or anything else we needed. Do you see that the same way?

Admiral **Hardisty**. Yes, sir, I do. I think if we are going to keep the people we have to have the equipment for them. That is why I said I would do it in a balanced way, Mr. Chairman.

Mr. **Murtha**. An across-the-board cut doesn't give us a balanced cut.

Admiral **Hardisty**. You are right. I didn't mean to imply that I know the outlay budget ratios. You get it out of the OPN and the MPN account if you want real dollars right now. By that I meant it would be a combination of those things, sir.

Mr. **Sabo**. Let me further pursue that as it relates to personnel. If the choice were more personnel and no pay increase or a pay increase and fewer personnel, which would you prefer?

Admiral **Hardisty**. I would have to have a handle on what kind of numbers. That is a generic question. If we are going to retain people we have to provide a quality of life, so we have to provide pay raises and some sense of pay comparability with the civilian sector.

We are ten percent behind on that now. Generically, I would go with fewer people and maintain the quality of life because my retention would be better and I wouldn't have the tremendous turnover.

So the quality of life of the force would be higher, but numbers would be an important part of that equation, particularly as it affects mission accomplishment.

Mr. **Sabo**. Thank you.

Mr. **Murtha**. Mr. Miller.

JAPANESE DEFENSE LEVELS

Mr. **Miller**. Thank you, Mr. Chairman.

Admiral, given the pressure the United States has been putting on Japan to increase its self-defense capability, do you find that there is an unspoken anxiety among the Asian nations about Japan rearming?

Admiral **Hardisty**. That comes up frequently in my travels. I assure the other friends of the Pacific that as I view what the Japanese self-defense force is doing is what we basically have asked them to do. We have asked them to build a quality self-defense force. That is what they are doing.

They are developing the ability to protect sea lanes out to a thousand miles. They have a quality air force that is capable of providing air defense for Japan, I don't see any power projection capability. I don't see that capability in their new five-year defense plan.

There is concern about Japan exceeding one percent of their GNP, and why are they building their defense force.

My answer is that Japan is doing just what we have asked them to do under our treaty of mutual security and cooperation, sir.

Mr. **Miller**. We have heard a lot about burdensharing. Could you give us your idea as to what you think the Japanese should be doing to help with the common defense burden?

Admiral **Hardisty**. Well, certainly Japan can do more and should do more. We are looking at innovative ways to do that in the facilities improvement plan. We are looking at some way to get their agreement to provide facilities and things that would offset our O&M maintenance costs.

We are looking at them paying for utilities and those kinds of things, which they currently don't do. We think that is feasible. We are in a continuing dialogue with Japan doing more.

In the case of labor cost-sharing, Japan is doing a lot. This current budget which will go into effect 1 April, if approved by the Diet, increases significantly Japan's contribution to paying part of the labor cost of about 21,000 Japanese nationals who are hired by the United States military on facilities in Japan.

But Japan can do more and we are working with them to do more. On the other hand, from a roles and missions viewpoint, Japan is doing what we have asked them to do. They have increased their defense budget by over five percent per year the past ten years and have stuck totally with their five-year defense plan. They have had consistency and long-range planning, and interoperability, the synergism between our forces for the mutual defense of Japan. It provides flexibility for me and other forces in the Pacific area.

Mr. **Miller**. For the billions of dollars that we are spending in the Pacific area for the protection of Japan, when you speak of the possibility of Japan picking up the utility costs, that sounds like a small cost compared to what we are spending.

Labor costs perhaps, as I understood you to say, some 21,000 people, but utility costs should be quite small and even for 21,000, that would be small compared to the total cost?

Admiral **Hardisty**. By utility costs, I meant at all the facilities at Okinawa and Japan, the ones that the United States occupies. It is a way to saving money we have to spend. It is not a significant amount of money, but every bit helps.

VERTICAL LAUNCH CAPABILITY

Mr. **Miller**. In your prepared statement you mentioned that the Soviet submarine force continues in both quantity and quality, and you also state that your number-one budget priority is anti-submarine warfare.

How many vertical launch capability ships do you have that do not have vertical launch weapons?

Admiral **Hardisty**. I would have to take that for the record.

Mr. **Miller**. That would be good if you would furnish that for the record. It is of interest to the Committee.

Looking into the near future of the vertical launch capable ships that you are due to receive in the next two years, can you tell us how many will not have the neccessary vertical launch weapons?

Admiral **Hardisty**. I will have to take that for the record, too, sir, because I haven't been appraised of any significant shortfalls in the weapons lagging behind the systems to the degree that you might imply.

Mr. **Miller**. If you would answer it for the record, that would be fine.

Admiral **Hardisty**. Yes, sir.

[The information follows:]

Surface ship vertical launch system has been designed to simultaneously support three different types of weapons. Notional ship loadout requirements will fully support two of these weapon types. The other weapon type, vertical launch anti-submarine rocket, currently is the only weapons shortfall. Submarines with vertical launch capability will all have the required weapons.

The vertical launch anti-submarine rocket is designed to be used only in surface ship vertical launch systems. This weapon is not projected to become a fleet asset until 1991. Although the weapon is not presently available to launching ships, each of the ten vertical launch anti-submarine rocket capable surface ships presently carry the appropriate numbers of other vertical launch weapon types designed for that particular ship's weapons system. The number of vertical launch capable surface ships is expected to grow to fifteen in two years as new ships are commissioned and other ships are converted. These additional ships also will not have vertical launch anti-submarine rockets until production begins in 1991.

Mr. MILLER. Given that ASW is you number-one priority, do you think that the action taken by this Committee last year to buy 300 vertical launch ASROCs is sufficient? Do we need more?

There was quite a discussion last year to a buy-out of approximately 500 and a request, as I recall, for just about 90, but the price went down as you buy more and therefore there was a discussion of a buy-out.

Admiral HARDISTY. Yes, sir. There was a little risk in the Navy program there, but looking at modernization, et cetera, the Navy thought that they should take that risk. I know that there was a dialogue with Congress and a compromise was reached. From a threat viewpoint, I think what the Committee did last year was adequate in that area as we wait for the new product to come along.

Mr. MILLER. The new product apparently would be the Sea Lance.

Admiral HARDISTY. ———.

Mr. MILLER. It seems to be quite a ways off from what we understand, and there could be a gap between the two whereby we would have a mechanism onboard to launch the weapons, but we have no weapons to launch.

My question is whether we can see that period of time coming up, because the new ships are coming up, and is someone looking at this total picture——

Admiral HARDISTY. The Navy is obviously looking at it.

Mr. MILLER. That the vehicles will be there when the ships are ready?

Admiral HARDISTY. I wouldn't advocate that we send ships to sea that didn't have the capability. I am unaware, I thought what the committee did last year closed that gap. ——— I will have to take a look at it.

Let me answer that for the record.

[The information follows:]

No change in status. The Navy at this time plans to continue the development of a common ASW stand-off weapon (Sea Lance) which is scheduled to be available in the early to mid-1990's. Until such time, the Vertical Launch ASROC (VLA) will provide our interim ASW stand-off weapon capability for our Vertical Launch System Platform. Technical Evaluation for the VLA is scheduled for May 1989, Operational Evaluation is scheduled for July 1989, authorization for Limited Production of the VLA is expected in January 1990.

Mr. MILLER. Thank you, Mr. Chairman.

Mr. MURTHA. Mr. Dicks.

Mr. DICKS. Isn't it true, to make sure we have a balanced record here, that Sea Lance does have greater capability than the vertical launch ASROC?

Admiral HARDISTY. Absolutely.

Mr. DICKS. Wee can use it both off of surface ships and off our submarines?

Admiral HARDISTY. Correct.

Mr. DICKS. ——— is that correct?

Admiral HARDISTY. ———.

Mr. DICKS. My view is that this compromise worked out was a prudent policy. I think that the Navy made a wise decision in opting for a system that had more capability and that could be used off both submarines and surface ships. ———.

Admiral HARDISTY. I will have to check that. The CINCs participated in that decision through the DRB process. I know that this Committee was very, very involved in that decision, if my memory serves me right it's the same as you have just related.

Mr. DICKS. I think the decision that was reached was a prudent one and that getting that capability last year made sense. This gentleman believes that getting that greater range is in our interest ———.

Admiral HARDISTY. Yes, sir.

Mr. MILLER. If the gentleman will yield, I am not critical of the vertical launch ———? I am not critical of it. I just want to know if we have enough.

HEALTH CARE

Mr. DICKS. I appreciate the gentleman's comment. I represent an area where there is a substantial Naval presence. One of the issues—I think you have been involved in this—has been health care of our sailors and one of the concerns that I have had is that we have not properly staffed up our military hospitals.

This isn't something that is just a problem in the Navy, but it is across the board. And because of that I have picked up in my conversations concerns that our sailors have when they are out at sea that their families are being properly taken care of because of the understaffing of doctors, nurses and other skilled personnel.

There has been a sense in the Defense Department that we can just let this go out to CHAMPUS or somewhere else and not accept the responsibility.

As I understand it, the Navy has rethought this because it is considerably more expensive to have this all done on the civilian economy through other programs. If we could properly staff our military hospitals and facilities, we could better take care of these people there. We always have the problem of not keeping our commitments to our retirees. I would like your view of this issue generally and whether it is a concern of yours.

Admiral HARDISTY. It is a concern, and I certainly compliment this Committee, sir, for the strong support they have given to military medicine. You have plussed it up with money and with other initiatives.

With regard to the improved health care and the medical facilities among the Services, I think we all recognize that we have excess capability in our hospitals but we don't have the staff. So all the Services are looking at contracting to bring civilian medical practice people into the hospital because we have the facilities but we can't man them.

We are looking at bonuses, improved recruiting, leadership, management and putting the right people out there. We are making that career attractive to a doctor or to a nurse and other medical personnel.

One initiative we used to bring nurses in during the Vietnam era was recruitment at the lieutenant level assuring pay comparable to what they were making on the outside. We weren't smart; we were trying to bring them in as ensigns. Some had been on the economy for ten years and we weren't paying them enough to get them in.

A lot of innovative things have happened in the last couple of years. I know you have had extensive looks at military medicine across the board. I think the regionalization will help where we synergize all three Service medical facilities in one regional area to improve the quality of care to our dependents.

The NAVCARE, the PRIMUS facilities are helping the problem. We still have a ways to go. It is a matter of concern, but I am confident and comfortable with the health care that I have in the Pacific Command, recognizing that we can do better and we are working hard on it. You can't just throw money at it. It is organization; it is a lot of things.

Mr. **Murtha**. We addressed this issue a couple of years ago. I was recently in the Persian Gulf. We send these young fellows to the Persian Gulf but when I talked to them I didn't hear about the dangers over there; I heard about the health care at home.

I came back and went to Bethesda and I reported to this Committee and the Committee supported me. The Navy officials said they are short all kinds of administrative people. One doctor had quit the service because he said, "I am not allowed to be a medical doctor; I have become an administrator." I don't know who has the authority to assign people to the medical field, but they were 3,500 people short.

The Navy is in the worst shape. The other services are not in as bad shape, and it is because you haven't assigned the appropriate number of medical people to the appropriate slot. That is the problem.

We are working trying to help you do that. At Camp Lejeune, people had to wait four or five hours in order to get into the NAVCARE clinics. That is unacceptable. They have it down to one hour now. Even that is a long time as far as I am concerned.

I know a blue-ribbon panel was called together and made recommendations, but unless people in the field raise more cane about it, we are not going to get this thing changed, because up here the administrators sit on their backside in the Pentagon. They forget about what happens sometimes out there.

They wanted to man a 600-ship Navy and they didn't take care of the troops in the meantime. I am unhappy about it and I hope you will look at this situation closely and see if you can't do something about it.

Is Long Beach under your jurisdiction?

Admiral **Hardisty**. Yes, sir.

Mr. **Murtha**. We looked at that medical facility. A 400-bed hospital had 90 people in it and they were all drug and alcohol people.

Admiral HARDISTY. That is correct.

Mr. MURTHA. Here was this big hospital substantially undermanned while there are 45,000 dependents in the area. What worries me is that now the VA wants to be part of the military medical facilities and I understand they are going to be about $600 million short in their budget this year. They want that money to come out of the military. We don't have that kind of money to take out of the military.

So if you don't make some fuss out of the field about what is going on in those hospitals, we are still not going to get it done. I would hope that you will take an interest in that area and see if something can't be done about it.

Admiral HARDISTY. I will take an interest. I have taken an interest in it, Mr. Chairman. I was part of that blue-ribbon panel that you are talking about. I formed it up for the CNO and the Secretary. We had a long way to go and we have come a long way.

What I meant when I said I think things are adequate——

Mr. MURTHA. They are not adequate. People are waiting out there for service in these clinics and it is unacceptable. We put people in the budget and the Navy didn't put those people in the billets.

I am not saying this is your fault because you are a field commnder, but that has to be rectified. It is unacceptable for those people not to get service or have to use CHAMPUS where they have to pay 20 percent.

Admiral HARDISTY. Hawaii is one of the states and California is the other on the CHAMPUS Reform Initiative—CRI—and we are not getting people to sign up for that the way we anticipated, so we have to watch that one closely too.

Mr. DICKS. We talk about contracting out to get people to help. I have been involved in this because we had to do it at Madigan Army Hospital in Tacoma. You recruit these nurses, for example, and you pay them a premium. Then you have a personnel problem with the people you have already got there. You are paying them at one level and they are getting the worst hours and then you are paying these contract employees who you are bringing in to supplement at a different level. Then you have got a dispute between those people.

So we have to be a little careful how we handle that. Congressman Montgomery got through an amendment last year that allows the VA to make a personnel cost adjustment where they can pay more for their nurses than they can to the military.

We were trying to get the same thing in the military in the Defense Authorization Bill this year, but that creates another disparity when you have a VA hospital and a military hospital in the same area. I am with the Chairman on this. I think we still have a ways to go on this staffing problem. Somehow there has got to be a way of dealing with this.

What bothers me is I think what happens here is, you are building up to 550-ship Navy or whatever it is. You have personnel ceilings and limits in terms of the number of people you have, so the health care area gets reduced so we can put more people out at sea.

I think somehow we have to be able to take care of that health care area separately. I know that is easy to say and hard to do, but my view is maybe somehow in these services, we need to exempt the health care area from these various manpower ceilings and allocations that are made, because we have to staff those hospitals. It is crazy for us to send retirees out to the private sector and pay that additional money when we have capacity in our own hospitals. It doesn't make sense.

Admiral **Hardisty**. I agree a lot of the problem was in the administrative area and in the automation area. We are totally manual and not automated.

I go to any civilian hospital, they punch a button and up comes the record. We were doing everything manually, doctors writing their own prescriptions. They were spending more time doing that than hands-on medical care.

I see that turned around in the Pacific, but not everywhere.

BLUE RIBBON HEALTH CARE PANEL

Mr. **Murtha**. What changes did you recommend as chief of the blue-ribbon panel? If I remember, the commanders will now have responsibility——

Admiral **Hardisty**. That is correct. In the future they will come under the Navy CINCs, Naval medicine will come back under the Navy Fleet CINCs, and I think that causes a marriage between the line community and the medical community.

In the Navy's case, in 1972 those two outfits split apart. I think there was a lot that we could have and should have done for Navy medicine. The automation and contracting and these kinds of things that we found were in abysmal shape, we have turned around.

We have contracted out all the equipment in the Navy for the next three years. We were three years behind obligating funds just for new equipment. We were not automated. We didn't have computers in hospitals. We were ten years behind.

The clerical thing is the key. We got authorization to increase clerical help by a figure of 700. Navy medicine couldn't write the job descriptions for the jobs, so we delayed over a year in bringing the people onboard. We should have had our heads examined and something kicked for not being able to do that.

What we really had to do was get management experts, get our Navy supply system contractors to get into the hospitals, get into Navy medicine, take hold and make it happen. It seems a very simple matter. It is almost incredible that we didn't do it sooner.

Mr. **Murtha**. In your command, do have somebody specifically assigned to this responsibility?

Admiral **Hardisty**. Yes, I do. I have a rear admiral who is, if you will, my Pacific Command surgeon general, and he monitors medical acrosc all the services in the Pacific.

Mr. **Murtha**. So if I go back out to Long Beach next week, I would find it a much improved place versus how it was two years ago?

Admiral **Hardisty**. I better not get in trouble on that one, Mr. Chairman. It should be improved.

Mr. **Murtha**. The Secretary of the Navy asked me to stop and look at that. That was before, a year ago. I looked at it and it was a disgrace. If I go out there now and take a look at it, would I find it acceptable?

Admiral **Hardisty**. I would have to check, Mr. Chairman. No complaints have reached me about Long Beach. The Fleet Commander may have, but I haven't.

I will look at that.

[The information follows:]

As you know, the basic problem at Long Beach Naval Hospital continues to be insufficient uniformed staff to provide full access to all beneficiaries. We have taken a variety of new initiatives to improve access to care there and elsewhere in the Long Beach catchment area.

Additional specialists have been assigned to the hospital in orthopedics and internal medicine. Through contract arrangements, services are to be provided in gynecology for active duty women, and in radiology. These contracts are being negotiated and are expected to be finalized within three to six months. Emergency room care came under contract on 1 March 1989.

Through new partnership arrangements with local civilian physicians, agreements have been made for the provision of services in the specialties of primary care, dermatology, urology, surgery, pediatrics, radiology, gynecology, and otolaryngology. Under the partnership program, care is provided to nonactive duty beneficiaries at the hospital at no cost to the beneficiary.

The hospital command projects that the programs described will increase hospital admission by 100 a month and outpatient visits by 100,000 a year by 1991.

A NAVCARE clinic has been established in the Tustin area near Naval Hospital Long Beach. It can provide, through three contract options, 75,000 full service outpatient visits, 9,000 mammograms, and a total, all included, of more than 180,000 full and part service patient visits.

The Champus Reform Initiative, which can provide care to dependents of lower ranking personnel with no deductible or co-payment required, is in place in southern California. The contractor's "Health Finder" office, which assists our beneficiaries with information regarding alternative sources of care both in military and civilian facilities, is staffed by 17 individuals, sited and functioning within the hospital. Good relations exist between contractor and command representatives in the hospital. Beneficiary signup for the Champus Prime Program is ahead of target in the Long Beach area.

Concurrent with these new initiatives, the quality of care provided at Naval Hospital Long Beach continues to be excellent. The hospital is fully accedited by the Joint Commission of Accreditation of Healthcare Organizations.

I recognize adequate medical care, for all authorized personnel, as very important to my readiness capabilities and will give this problem my continued attention.

Mr. **Murtha**. I wish you would. That place is in bad shape. I received a letter from General Woerner. In that letter he listed a number of provisions which he considers damaging to the U.S. interest in the military assistance category.

For instance, he lists the Brooks amendment which prohibits assistance to countries which are in arrears on repayments of loans made by the United States Government. The Symington amendment which prohibits assistance to countries who do not agree with our specific nuclear control, Mr. Lynn has a copy of this letter.

The point that I am getting at, it would be helpful to this Committee if you could go over this letter and see if you have any additions to it. We don't have that responsibility in this subcommittee. I will take that on as a responsibility to forward it to Mr. Obey with the specific recommendations that you would make.

I have heard so many complaints from all the CINCs about this particular problem that I would be glad to talk to him about it. So if you would look at the letter and add any thing and send us a letter with any criticisms you may have, it could be very helpful in getting this thing resolved.

Admiral **Hardisty**. I would be very happy to do that. And we appreciate your assistance on this matter because we do need assistance.

Mr. **Murtha**. Mr. McDade?

Mr. **McDade**. No further questions.

Mr. **Murtha**. Mr. Miller?

Mr. **Miller**. No questions.

Mr. **Murtha**. Mr. Young has some questions for the record. The hearing is adjourned.

[Clerk's note.—Questions submitted by Mr. Young and the answers thereto follow:]

SUBMARINE LASER COMMUNICATION

Question. Admiral Hardisty, your prepared statement places your top budget priority as "(1) Antisubmarine warfare—protection of our lines of communications is vital". Communication with our submarine force has also been a concern of mine and of this committee. One of the most appealing technologies that I have seen evolve is the Blue/Green laser technology which is in development. The problem has been that the budget requests for this technology development have always been insufficient and the Congress with this committee usually in the lead has increased the funding for the last three years in a row, yet the Budget continues to come over there at a level which would indicate nonsupport. Part of the discussion is cost and whether such a system should be deployed on a satellite or a airborne platform.

What do you think of the possibility of laser communication? Is present communication adequate? There is some thought that with laser communication, you could eventually have more timely two way communication, how would that effect the way your submarines currently deploy?

[Clerk's note.—The Department was unable to provide a response in time to be printed in this hearing volume.]

HOSPITAL SHIPS

Question. Admiral, under the category of "What do we need" in your prepared statement, you mention cooperative programs such as humanitarian civic assistance.

One of the initiatives of this Committee has been the conversion of two ships to hospital ships to provide medical and surgical care to our troops during war. One of those ships is the hospital ship *Mercy* which is based in California.

During 1987 the hospital ship *Mercy* was deployed for four months to the Philippines and to the South Pacific.

I wonder if you could tell the Committee if this is the kind of humanitarian assistance that is useful to your mission and what the impact of the *Mercy's* visit to that region was?

Answer. *Mercy's* deployment to the Philippines and South Pacific provided a significant medical benefit to the thousands of patients seen and treated; totaling over 62,000 in the Philippines alone. Many would not have received medical attention if it were not for the humanitarian nature of the *Mercy* mission. Additionally, the Pacific deployment also served as a training and shakedown opportunity. The thousands treated will forever be grateful to *Mercy* and her crew. The down side is that there were thousands turned away because of the limited port time at each location. Additionally, some in the local medical community voiced opposition to the free care provided as unfair competition and resented the Great White Ship as a manifestation of their inadequate health care system. The training and shakedown mission were definite successes. The humanitarian mission was a mixed blessing as far as public relations are concerned.

Mercy's Pacific humanitarian deployment was a one time good deal. The expense is astronomical when the costs for the medical crew, the MSC crew, the reduction of services at the home bases of the medical crew and other ship operating costs are considered. Far more patients could have been seen and treated and far more medical care provided through more conventional forms of medical humanitarian assistance. Additionally, *Mercy* is designed to support combat operations resulting in more significant trauma cases. Humanitarian assistance is more concerned with the prevention and treatment of disease. Traditional humanitarian assistance combines with local activities to help build the prestige of the local authorities as well as the prestige of the U.S. The very nature of *Mercy's* size and uniqueness make her employment in humanitarian assistance a U.S. only show, regardless of the fact that there were Philippine medics augmenting the *Mercy* crew. *Mercy* does not meet our humanitarian assistance goals. There are many more cost effective and efficient methods to provide this support. Increased funding levels in the more traditional humanitarian assistance programs is a far better approach for our mission accomplishment.

[CLERK'S NOTE.—End of questions submitted by Mr. Young. Questions submitted for the record and the answers thereto follow:]

PACIFIC COMMAND AIR DEFENSE

Question. In December 1987, a task force of the Defense Science Board concluded that in their view, "U.S. air defenses in the Pacific Region are inadequate to ensure that our forces, bases and facilities there can be protected from air attack." Do you agree with that assessment, and if so, what are we doing to solve the problem?

Answer. Air Defense is a sovereign nation responsibility as well as a legal right of self-protection. In the Pacific Region, U.S. Forces are under the protective unbrella of host nation air defense systems which range from excellent in Japan to unsatisfactory in the Philippines. ———.

Question. Let me mention some specific areas of concern cited in this report. I'd appreciate your comments and reactions, and please advise us if any of these areas are inadequately funded in the FY 1990 budget. "Shortage in in-theater missile stockpiles are judged to be serious in the event of a global war and should be corrected." In late 1987 CINCPAC reported that the Air Force has only 26 percent of its requirement for Sparrow missiles and the Navy had only 21 percent of its requirement. Yet now we're buying the AMRAAM missile which costs $860,000 each instead of a $116,000 Sparrow. Doesn't this portend continuing, and perhaps even worse, shortfalls?

Answer. ———. The goal of the AMRAAM program was to develop the next generation medium-range, all weather air-to-air missile. The AMRAAM, as a follow-on to Sparrow, will provide the F/A–18, F–14, F–15, and F–16 with a multi-shot/launch-and-leave capability necessary to meet our operational requirements into the 21st century.

The $860,000 for AMRAAM is the unit cost for a one year initial buy, while $116,000 for Sparrow is the unit cost amortized over a 30 year program. There may be a shortfall in inventory, but the AMRAAM's significant increase in capability will contribute to offsetting that difference.

Question. "The relatively low importance that U.S. intelligence analysts in the Pacific assign to the threat posed by the Soviet Union's tactical ballistic missiles is at odds with the increasing attention being paid to this threat in NATO and by some of our Pacific area allies." Please comment.

Answer. Soviet ground threats, specifically tactical missiles, receive less priority in the Pacific than in Europe as these short range Soviet missiles do not threaten U.S. forces as currently deployed. That does not mean these systems are not of a concern, simply that other Soviet strike systems (i.e., air and naval forces) receive a greater level of our intelligence effort. If the situation warranted, our priorities would certainly be modified.

Question. "With Navy and Air Force OTH radars having essentially non-overlapping coverage regions, a means of providing each service with the target track information obtained from the other's radars would enable each to conduct more effective defense operations." Is this funded, and when will such capability be available?

Answer. Pacific Air Forces (PACAF) has programmed $31.2 million dollars from FY90 through FY94 to develop a system and communications infrastructure which will allow Alaska-based Air Force OTH radars to receive and process tracking/contact data directly from Navy OTH radars. The system is projected to be deployed theater-wide and become operational by the mid/late-1990's.

Question. "Should OTH radars prove capable of enabling long-range intercepts of attacking aircraft, a means of continuously communicating with the fighters will be needed * * * No existing links have all the required capabilities, however." Please comment.

Answer. Today, in a long-range scenario, communications with our fighters are accomplished with Airborne Warning and Control System and Ground Controlled Intercept assets. ———.

EQUIPMENT CROSSDECKING

Question. Admiral, we would like a clear picture of the extent to which the Pacific Command must resort to crossdecking of equipment to satisfy operational requirements. Please indicate briefly now and elaborate for the record just how often crossdecking occurs and what items of equipment are in such short supply?

Answer. Crossdecking within USPACOM has been greatly reduced during the past few years. Activity has centered around a small number of expensive aircraft spare parts that are crossdecked to ensure that deploying CV squadrons have their full sustainability requirement with them during deployment. Some examples are: S-3 ASW ariframe parts, Auxilliary Power Units (APUs), Constant Speed Drives and Internal Drive Generators. For F-14 and F-18 fighters, Lock on Detection Systems (ALR-67), Electronic Countermeasure Devices (ALQ-1268) and Forward Looking Infrared Radars; for the A-6, Harm Computers. These are the only examples of significance. There may be other isolated instances of crossdecking mandated by equipment failure just prior to deployment but not as a matter of routine.

BURDENSHARING

Question. How would you characterize the contributions of our allies to mutual security in the Pacific? Should they do more? Where would you suggest greater allied contributions?

Answer. Our allies are doing more than is commonly realized and will continue to shoulder more of the common defense burden. Their contribution to our mutual security greatly reduces the risk of going it alone. Our national security requires that we work with our allies from a prospective of cooperation, not confrontation. ———. Although the Japanese have done much, I believe they can and should do more. We are looking for innovative ways to improve cost sharing. We are further exploring major Japanese contributions to assist economic development and stability around the Pacific.

Korea has also continued to expand its military capabilities and its support for U.S. forces stationed there. The ROK economic growth rate will affect increased burden sharing by direct support and a willingness of the ROK military to expand its roles and responsibilities. We believe that the ROK can and should assume greater reponsibilities for their own security in the near term. While the ROK is already contributing substantially to the cost of maintaining our forces on the peninsula, we are examining ways for them to increase their contributions. These initiatives include aircraft maintenance, construction, and labor cost sharing.

Other Pacific allies contribute significantly to our mutual security and are sometimes overlooked. The Australian government remains committed to deterrence and arms control by participation in joint facilities and granting of access for U.S. ships and aircraft. Thailand is our staunch ally whose military relationship with us has continued to grow in a very positive way. Our mutual defense arrangement with the Philippines provides U.S. facilities which are important to the peace and security of the entire Pacific basin.

Question. What is your assessment of the Japanese defense budget submitted to the Diet last week?

Answer. The Japan Self-Defense Force has received budget increases of approximately 5.5 percent for the last twelve years. This steady and reliable growth is unprecedented among our allies or even our own military. (JFY89=5.9 percent or 3.9 Trillion Yen)

A sharp or significant increase in military spending would cause serious political repercussions (China, ASEAN, Russia).

A jump to 2-3 percent GNP would be difficult to spend on a defense oriented military structure.

The JSDF supports U.S. strategy in the Pacific by: SLOC Defense, ASW and mining capability, air defense for our forces as well as their homeland, and intelligence and surveillance cooperation.

Question. How does the Japan Self-Defense Force support U.S. Military strategy in Northeast Asia?

Answer. The USCINCPAC strategy in the Pacific is based on deterrence and if deterrence fails, then carrying the war to the Soviets in Northeast Asia/Northwest Pacific. This strategy relies on forward based forces, robust alliances, and self sufficient allies. ———. The build-up is on track with a consistent real growth in defense spending of about 5 percent annually.

As Japan's self defense capability increases every day it provides more of a deterrence force that the Soviets can see. With Japan providing for its own defense and playing a greater role in our strategy, we can focus more effectively on offensive efforts to destroy Soviet power projection capability.

Question. How much does Japan provide in Host Nation Support (HNS) for U.S. forces? How does this amount compare with other countries' contributions?

Answer. HNS, as well as the defense budget, have shown substantial growth. I agree they can do more and various proposals are being discussed (increased labor costs, utilities, etc.). I believe they also share this view, however, but will resist if we attempt to force measures on them.

All three areas of burdensharing have shown increases:

HNS–JFY 1989 request contains substantial increases: Labor Cost Sharing—from 50 percent to 75 percent of allowances or $419.3 million (an increase of $114.9 million over JFY88), facilities construction—from $693 million up to $715.7 million in JFY 1989 (an increase of $22.7 million over JFY 1988), almost 55,000 U.S. servicemen in Japan and U.S. receives billions, approximately 300,000 in Europe yet the U.S. actually receives little direct support, and Midway Repairs—$40 million offset looks promising, however, topic is sensitive (SOFA and internal meddling) and discussions need to remain low-key to be successful.

Japan Self-Defense Force—JFY 1989 budget request=3.92 Trillion Yen ($30.87 at 127/$) or +5.9%.

Defense budget should not be measured only in percentages but also in dollar amounts—JFY 1989 proposal compares to defense budgets of UK, FRG, and France, Japan has averaged 5.4 percent growth over the last 10 years, far above NATO's 3 percent goal—a goal few have been able to meet. Roles and missions—assumption of 1,000NM SLOC defense is a substantial responsibility and their Mid-term Defense Plan contains majority of equipment and logistics necessary to fulfill this task by 1991.

Official Development Assistance (ODA)—the world's leading provider of foreign aid—$50 billion pledged over next five years (Toronto Summit). ODA is not security assistance nor does it flow into U.S. coffers, however, it is of direct benefit to U.S. goals and ideals; magnifies the U.S. program of economic assistance to developing countries.

Question. Japan's Official Development Assistance Program has helped countries in the South Pacific and Latin America. How does it help U.S. interests?

Answer. JFY 1989 budget request is for $9 billion, GOJ pledge of $50 billion over the next five years.

Japan's ODA Program is a valid and significant part of the burdensharing equation. While not of direct benefit to the U.S., ODA promotes ideals and goals of our government. Likewise, ODA magnifies the effects of U.S. security assistance programs among our allies (i.e., the synergism of the U.S. and GOJ aid to the Philippines).

ODA also has an economic dimension in that it promotes third world markets for our own economy, i.e., long-term trade opportunities. Majority of ODA is now grant aid vice loans.

Question. What role do you play in providing training for friendly and allied armed forces through the International Military Education and Training program?

Answer. We actively manage the IMET program to assist the foreign country to develop its indigenous training capability, thereby enhancing foreign country defense self-sufficiency. As a foreign country achieves self-sufficiency, it can assume a larger share of its own and regional defense burdens. Moreover, the IMET program not only supplements other countries' indigenous training efforts, but also is the only major alternative to Soviet or Soviet-oriented programs. The Security Assistance Organizations are the key players who provide support to the foreign country in the administration, planning, programming, and implementation of their program. In FY 1988, 1400 students from 19 countries in USPACOM were trained in the U.S. under the IMET program, for a total of $10.6 million or 22.1 percent of the total world-wide allocation.

Question. How does providing this assistance enhance your mission?

Answer. The IMET program reinforces perceptions of the United States as a steadfast friend and ally. It provides for increased standardization and interoperability of equipment and training doctrine; thus contributing to U.S. regional defense. It enhances U.S. capability to meet defense requirements abroad and fosters U.S. base access, transit, and operating rights in strategic locations. Additionally, potential influential foreign personnel are able to gain a deeper understanding of the U.S. military, of American culture and values, and of respect for individual liberty.

FORCE STRUCTURE

Question. In your review of PACOM force structure since assuming command, what is your assessment of the capabiity of the weapon systems you are receiving and the forces on hand? Can they accomplish your military mission requirements?

Answer. Our forces on hand are well prepared to engage the Soviets rapidly and as far forward as possible to win. ———. The Soviet military force structure has prospered both in quantity and quality but so has ours. Any action that dulls our technological quality edge will have a negative impact on our warfighting capability.

Question. Is our forward deployed strategy still relevant to our defense needs in the Pacific? How do overseas bases support our peacetime and wartime strategies?

Answer. The primary mission of the Pacific Command, as with all U.S. warfighting commands, is to defend North America and it's approaches by neutralizing Soviet forces. ———. Additionally, through our treaty agreements with Japan, Korea, and the Philippines (for example), the U.S. is committed to the mutal defense of these nations from Soviet (or communist ally) tactical forces that threaten their well being. ———. Therefore, U.S. global security interests in the Pacific remain best served by a forward defense strategy that positions our forces close to our potential adversaries. This strategy gives us the capability to respond quickly in times of crisis to signal our resolve, while at the same time preparing for the possibility of conflict.

In peacetime, access to and use of forward overseas bases in the Pacific deters aggression and adventurism by permitting expeditious posturing during crises, increased interactions and enhanced interoperability with allies and friends, and operations in areas most likely to be the site of wartime conflict. ———. Exercises like Team Spirit and Cope Thunder are conducted out of overseas bases that will be the scene of wartime action. These exercises establish the U.S. presence which has provided the stability for democracies to emerge and economies to grow. Moreover, naval forces deploying from bases like Subic Bay, have ensured peacetime movement of raw materials and goods through critical choke points. ———. Our strategy in the Pacific is built on the deterrent value of forward deployed forces operating from well-established overseas bases that provide a visible U.S. presence, excellent resupply and repair, and outstanding launch points for wartime employment.

Question. What role does a Western Pacific homeport carrier have in our warfighting strategy?

Answer. Forward deployment stands as the linchpin to U.S. global warfighting strategy. ———. By extension, our reliance on Japan for forward deployed basing becomes of paramount concern. U.S.S. *Midway,* homeported in Yokosuka, Japan is the only U.S. aircraft carrier homeported outside the United States. Operationally, *Midway* is an unmatched and cost-effective power projection capability in an area of the world with a high potential for conflict. ———.

Politically, *Midway* is tangible evidence of our intent to support the Mutual Security Treaty and U.S. resolve to preserve regional security. Removing *Midway* from Japan would probably make maintaining our other forward deployed forces in Japan more difficult. Additionally, Japan might move rapidly toward becoming a military superpower with aircraft carriers of its own, undoubtedly upsetting many Asian countries.

Question. U.S. intelligence estimates that North Korea's ground armed forces now number more than one million and ranks as the fifth largest in the world. In your opinion, what is the reason for the steady increases in the North Korean armed forces?

Answer. First I wish to emphasize that the numbers postulated for North Korea's armed forces are still unresolved. What is not disputed is North Korea's forces are increasing and modernizing beyond what is needed solely for national defense. North Korea's efforts are undoubtedly in preparation for a short, decisive, offensive campaign designed to quickly overrun the Republic of Korea

(ROK). Pyongyang seeks to defeat the technologically superior ROK/U.S. forces before significant U.S. reinforcements arrive and before the ROK could fully mobilize its superior industrial base.

Question. Are existing personnel and materials of the U.S. and South Korean armed forces adequate to meet the increased level of North Korean forces?

Answer. Overall, the personnel and materials are adequate to meet increased capabilities of the North Korean forces. ———.

Question. Given the Republic of Korea's current economic and military strength, can they maintain an adequate defense if we reduce U.S. troops in South Korea?

Answer. ROK has a strong economy and the prospects are for continued growth. In order to develop the needed across the board military capability for self-defense, considerable resources will have to be devoted to the effort. The outlook for success is favorable but to predict a point in time is premature. The key factor to determine is not how much capability the ROK has but how much is needed to defend against the North in the future, given the North Korea capabilities and Soviet assistance.

Question. What would be the impact on USCINCPAC's mission if U.S. troops are withdrawn from the Pacific theater?

Answer. The mission doesn't change * * * unfortunately, my ability to accomplish it does, our mission is to support U.S. policies and security interests in the Pacific theater. We accomplish that mission by deterring the threat to U.S. security interests and if deterrence fails, defeating the enemy and terminating war on terms favorable to U.S. and our allies.

Today, the principal threat to U.S. security interests remains the Soviet Union. We are still faced with the reality of powerful Soviet forces in the Pacific and, by any measure, the power of those forces is growing.

The difference between the capability of forces threatening our national interests and the size and posture of the U.S. forces available to counter the threat is called risk. U.S. force reduction in the face of a constant or increasing threat serves to increase risk and uncertainty. The risks associated with unilateral U.S. force reduction in the Pacific are unacceptable.

Question. If the decision is made to reduce U.S. troops stationed in the Pacific, what is your recommendation on the disposition of these troops?

Answer. The recommendation on the disposition of U.S. troops if the decision was made to reduce U.S. troops in the Pacific would be based on circumstances prevalent at that time. A reduction of U.S. troops in the Pacific is not possible or recommended in the near future.

Question. From the standpoint of strategy and cost savings, what is the value of deploying troops unaccompanied to overseas locations?

Answer. To support PACOM's forward deployed peacetime and warfighting strategies, there are cases where it is smart to assign personnel in an unaccompanied status due to facility availability or missions. For example, in Korea 91 percent of U.S. Army personnel and 93 percent of U.S. Air Force personnel are on unaccompanied tours. For some 2nd Infantry Division troops standing guard next to the DMZ, the proximity of the threat is the reason why no families are present. For much of Korea; however, the low amount of accompanied tours is due to the lack of South Korean support for additional family housing (vice Japan's healthy FIP support for family housing). In Okinawa, 88 percent of the Marine Corps troops are unaccompanied due to austere facilities and their mission to employ anywhere in the Pacific. Yet, there are many other cases where personnel on accompanied tours serve our strategies well and help cut costs.

From a readiness and cost savings standpoint, accompanied tours, not unaccompanied assignments, offer a number of advantages. Many of the Army, Air Force, Navy, and Marines' current weapon systems are complicated and require extensive training. In order to complete top-off training in-theater, many personnel spend much of their first year overseas mastering their weapons system and learning theater specific operations. Accompanied tours allow the command to benefit from these personnel's experience for another year or two years before they return to the United States. Moreover, the longer accompanied tour provides stability and continuity to operations and thereby greatly contributes to improved morale and teamwork. Especially for Navy personnel stationed on shore in the Pacific, accompanied tours provide a break between frequent sea duty assignments and therefore improve retention. From a strict cost standpoint, rotations every two or three years, as opposed to annual unaccompanied rotations, offer obvious PCS fund savings.

Of the service members deployed in the Pacific, over 40 percent (approximately 61,000) are serving unaccompanied tours due to mission or facility constraints. Our forward deployed strategy demands a high combat readiness that must remain within a constrained defense budget. That means, where we can, we should let personnel mature in their overseas jobs and cut expensive annual PCS costs. Consequently, even in Korea, many of the command and control personnel are on accompanied tours. To arbitrarily increase the number of unaccompanied personnel in the Pacific jeopardizes combat units' readiness, retention, morale, and will ultimately cost more.

Question. Regarding the U.S. bases in the Philippines, where are the negotiations headed?

Answer. No start date for the negotiations has been set as of yet, but we are hopeful that they will begin in the near future.

Preparations have begun within both governments to identify key issues, and positions, which will have to be resolved in order to reach an agreement. Undoubtedly, the negotiations will be difficult, as would be expected between two sovereign and independent nations discussing very sensitive issues. Still, we are optimistic that we will be able to resolve those issues and continue basing U.S. forces in the Philippines in the years beyond 1991. The maintenance of peace and stability in the region is simply too important to both of our governments to give any less than our best efforts to settle the basing question.

Question. In your opinion, should we reduce troops stationed in the Philippines?

Answer. U.S. forces stationed in the Philippines perform very vital tasks in the maintenance of regional peace and stability. Bases in the Philippines are ideally suited to support these forces, and provide a great geographic advantage to U.S. forward basing strategy in the Pacific basin. While we could begin to relocate some troops presently stationed in the Philippines, those units would lose the geographic advantage. As a result, their operational capability could be reduced, and our entire Pacific strategy could be affected.

We are optimistic that the basing agreement will be successfully renegotiated in the near future, and believe that we should leave our troops in the Philippines in place for the time being.

BUDGET REDUCTIONS AND READINESS

Question. The Chairman of the House Armed Services Committee when asked recently about making reductions to the Defense Department budget, indicated that, "Cutting readiness may be the smartest thing to do."

He indicated that readines-related items could be reduced if there is an agreement that long-term national security needs are greater than the short-term needs. This would allow funding for procurement and research projects as an investment in long-term security needs. What is your reaction to this approach?

Answer. It is difficult to distinguish between the relative importance of long and short-term national security needs. Both are important, as is a balanced defense budget to ensure them. However, the primary mission of a theater CINC is to deter war and to be prepared at all times to fight and win if deterrence fails. Therefore, readiness is and must remain of paramount importance.

Question. What long-term national security needs should we ensure get funded in FY 1990?

Answer. The following programs are funded in the FY1990 portion of the President's Budget. Your approval of these funds will contribute to alleviating theater shortfalls in antisubmarine warfare, surveillance, aerial warfare, amphibious lift and C3.

a. SSN-21 Seawolf
b. ASW Sensors (FDS, SOSUS, SURTASS)
c. SH-60 ASW Helicopters
d. MK-48/50 Torpedoes
e. ROTHR
f. F-15E
g. AMRAAM
h. Phoenix
i. Tacit Rainbow
j. C-17
k. V-22 Osprey
l. LSD-41
m. LCAC
n. Secure Voice Improvements
o. Defense Satellite Communications
p. MILSTAR

Question. Which readiness items (training, flying hours, etc.) are crucial and which items could be reduced without seriously impacting readiness?

Answer. Personnel, equipment, and munitions are obviously crucial to performing wartime missions. Training and maintenance, along with sustainability supplies and other support are essential to continuing operations. We have reduced training and major maintenance, while our sustainability stocks have been gradually increasing. Overall, we have been holding our own in readiness, although manpower reductions in our support forces are reducing Army unit readiness and OPTEMO reductions have begun to show up in lower readiness trends among non-deployed PACFLT assets. Readiness will be degraded if we reduce any of these categories.

Question. We have found that it is often difficult to directly measure the impact of funding on readiness. We believe that the more flying hours a pilot gets the more "ready" he is, but have you found a good measure for how much more readiness is purchased with an additional dollar or each additional hour of flying?

Answer. A commander's assessment of his unit's readiness is by nature subjective. He assesses the personnel, equipment, support, and training required for his unit to be at a desired level of readiness. He constantly monitors these factors to determine how ready his unit is to perform its mission. In the area of flying training, it is very difficult to quantify the relationship between flying hours or money spent and a flight crew's readiness to perform a wartime mission. We can measure the total number of sorties, flying hours, landings, live fires that a pilot logs in a month; however, human differences mean that individual training requirements vary. Thus, unit training goals are averages of individual requirements. New aircraft increase both the number and complexity of possible missions. These missions place more demands on the crews. Fewer flying hours have a detrimental effect on both proficiency for wartime tasks and safety of peacetime operations. Those of us who fly airplanes know that the more often you practice, the more ready you are to perform real missions. The service flying hour goals balance readiness, retention, as well as proficiency and safety and are good numbers which we strongly support.

A-6 AIRCRAFT

Question. The fiscal year 1990 budget terminates both the A-6E and the A-6 upgrade programs. It is understood that the basis for that decision is the fact that the A-12 (Advanced Tactical Aircraft) is planned to replace the A-6 aircraft. We understand that the current A-6's will comprise more than 25 percent of the Navy's medium attack assets well past the turn of the century. Is that correct?

Answer. Yes, as a matter of fact the A-6's will comprise ——— through the turn of the century.

Question. Are the existing medium attack aircraft capable of meeting your current and projected threat and are they survivable in the expected environment of the next 20 years without an upgrade?

Answer. Currently we have enough medium attack aircraft to meet our total requirements through FY 1990. ———.

Question. The Navy is procuring various stand-off weapons at this time. How do your operational forces plan to use and deliver these weapons with the current limited capability A-6 aircraft in the inventory?

Answer. In addition to the A-6 Systems Weapons Improvement Program (SWIP), other platforms will have limited stand-off weapon capability. ———.

Question. We understand that the A-6 upgrade program would have provided a vastly improved stand-off capability to deliver these weapons. Would this capability enhance your operational effectiveness for the next 20 years?

Answer. Yes. The full upgrades would increase our capability. ———. A-6G upgrade converts avionics from analog to digital and includes improved displays, radar, engines, etc. As an adjunct, the upgrades also act as a low risk back-up to the new A-12 development.

Question. If your medium attack forces are not upgraded, what impact does that have on your effectiveness, and how do you plan to live with this degraded capability?

Answer. As the threat upgrades, so must our forces in order to be survivable. ———.

Question. Without additional A-6 aircraft or an upgrade program, what is your projected medium attack inventory shortfall until full fleet introduction of the A-12?

Answer. Working toward 14 active and two reserve carrier air wings by 2007 ———.

Question. In your professional and personal opinion, what are the trade-offs if we do not upgrade our medium attack aircraft as an interim measure until the A-12 is deployed to the fleet in sufficient quantities?

Answer. I believe we can get by with A-6E Systems Weapons Improvement Program as an interim measure ———. The numbers and capability are not what I would like to have but it's an affordable item.

EA-6B PROGRAM TERMINATION

Question. The fiscal year 1990 budget terminates EA-6B procurement and starts a program to remanufacture existing aircraft to the Advanced Capability configuration. We understand this decision was the result of the Defense Resources Board recommendations last summer. Is that correct?

Answer. Yes.

Question. Do you agree with the Defense Resources Board that additional aircraft are not required and a remanufacture program will provide the fleet with the aircraft required to fulfill its mission?

Answer. Yes.

U.S. ARMY WESTERN COMMAND

Question. The report of the study team on the Review of Unified and Specified Command Headquarters recommends the disestablishment of the U.S. Army Western Command. This could result in savings of approximately 500 personnel. Do you agree with this recommendation? Last year Admiral Hays indicated there was a critical shortfall to Army Combat support and combat service support units. What effect could implementing the study team's recommendation have?

Answer. Definitely not! If implemented, the disestablishment of U.S. Army Western Command would have the following negative effects:

It would remove the only headquarters accredited to do peacetime Army planning for development of campaign, general war, and contingency plans to include offensive ground operations throughout the USPACOM AOR. WESTCOM develops the Army role in the context of USCINCPAC strategy, prepares Army supporting plans to USCINCPAC plans, and prepares forces to execute these plans.

It would prevent responsive ground planning during a war which could have Army forces up to corps level deployed.

Deny a Pacific-oriented theater Army headquarters, staffed and trained to assist the CINC in accomplishing the demanding tasks given to him in the Defense Guidance and JSCP and to support deployed Army forces.

Deny USCINCPAC a senior Army advisor during wartime and weaken the voice of its Army component in Service resource allocation decisions.

Eliminate the headquarters essential to the evolving plans for the command of in-theater Army SOF.

Install an Army component (FORSCOM) with other major responsibilities which will naturally take peacetime priority over USCINCPAC wartime requirements. And it would compound existing Army in the Pacific command and control challenges by increasing required span of control within the Pacific and force a C2 relationship with a component headquarters in Georgia (FORSCOM).

AVAILABILITY OF AIRLIFT AND SEALIFT

Question. In a previous hearing with the Commander in Chief of the U.S. Transportation Command (TRANSCOM), we learned that there is a serious shortage of both airlift and sealift assets. How does this shortage affect your mission? What are your current airlift and sealift requirements? Do you believe that TRANSCOM will be able to meet your requirements? If not, what are you doing to fill the void?

Answer. when addressing strategic lift it is important to remember that this capability is applied agains worldwide requirements vice theater specific requirements. As GEN Cassidy has already testified, in airlift "We are making significant progress toward attaining the 66 MTM/D goal. By the end of this fiscal year, our airlift capability will have expanded to almost 46 MTM/D" while "strategic sealift is the critical but now weak link." The impacts of the strategic lift shortage on PACOM's mission in a global scenario follows. ———.

LASER GUIDED TRAINING ROUND

Question. Admiral, in the past this Committee has supported development of a laser-guided training round (LGTR) for the Navy. Because of its low unit cost, such a round would enable much more effective weapons delivery training for our aircrews in the Pacific and elsewhere. Do you support the laser-guided training round program, and if so, why?

Answer. Yes. Your question needs to be answered separately for USN/USMC. The Navy is shifting emphasis from laser to other systems, but will retain Skipper as an A-6E stand-off munition. Therefore, LGTR is needed to ensure training sustained. USMC is retaining more robust laser capability and has even more need than the Navy. LGTR (unpowered) is currently approved and funded.

Question. Would a laser-guided training round improve training for the Air Force as well as for the Navy?

Answer. The LGTR program is being monitored by the Air Force. If the program proves successful for the Navy, then the Air Force will buy into the program.

Question. Would a laser-guided training round have utility in both a powered and an unpowered version and if so, why?

Answer. Yes. Because there is a big difference in the delivery technique for powered versus unpowered, and both types should be addressed in the training environment. ———.

Question. CINCPAC advised this Committee last year that, in his opinion, the Skipper missile offered an important standoff capability for the A-6. Yet, isn't the accuracy of Skipper lessened without the additional training made possible by the laser-guided training round?

Answer. ———.

Question. State the current inventory of laser-guided strike weapons in the Pacific Command, by type of weapon, for each Service.

Answer. ———.

Question. State the quantity and dollar value of such weapons used for training purposes during the most recent fiscal year.

Answer.

FISCAL YEAR 1988 TRAINING EXPENDITURES

	Live	Each	Inert	Each	Total value
PACAF:					
GBU 10	2	$11,000	16	$8,500	$158,000
GBU 12	2	7,769	34	6,765	245,538
GBU 15	2	178,650	0		357,300
Total					760,838
PACFLT:					
AIM 65E			4	22,950	91,800
AGM 65E	2	70,721			141,442
LGB 1:					
MK 82	61	3,520			214,720
MK 83	228	3,765			858,420
MK 84	47	3,805			178,835
LGB 2:					
MK 82	209	6,686			1,397,374

FISCAL YEAR 1988 TRAINING EXPENDITURES—Continued

	Live	Each	Inert	Each	Total value
MK 84	17	7,889			134,113
AGM 123A	73	4,901			357,773
Total					3,374,477

Note.—PACFLT figures reflect rounds/funds approved for training, however, actual expenditures are not available for fiscal year 1988.

S-3B WEAPON SYSTEM INTEGRATION PROGRAM

Question. Admiral Hardisty, since 1985 the Navy has been procuring weapons system integration kits to modernize the S-3 aircraft. S-3B's are now being delivered to the Atlantic Fleet. The 1990 Budget includes funds to purchase ten S-3B kits. Will these funds support the upgrade of Pacific Fleet S-3 aircraft? It is the Committee's understanding that the program has gone from a four year buy to a ten year buy. What effect will this have on your operating forces?

Answer. ———.

OVERSEAS BASE CLOSURES

Question. In conjunction with the Commission on Base Realignment and Closure, the Department conducted a study of the U.S. overseas base structure. The study was submitted to Congress in October 1988.

The study indicated that the present overseas base structure is required to support U.S. forces abroad and current operational plans.

Did you have any input into this study of overseas base structures?

Answer. Yes, we provided input to the overseas base structure study in areas concerning demographics, strategic value, operating cost, force structure changes, and evaluation of the need for each facility. USCINPAC's input to this study was developed in conjunction with all the Services in USPACOM.

Question. Do you review the base structure of your command?

Answer. The requirement for our overseas bases, as well as their operational effectiveness and efficiency, derive directly from our forward deployed strategy and the threat. The guidance we receive from the national level in Defense Guidance, Joint Strategic Capabilities Plan and National Intelligence Estimates is the basis by which we formulate our strategy and operational plans, and thus our basing requirements. We continually review our strategy based on those inputs. Once the larger question of strategy is clearly disseminated, other mechanism for regular base evaluation apply. Periodic review mechanisms generally derive from Status of Force Agreements, Service Master Plans, and visits, inspections, studies and training exercises.

Question. Are you provided with opportunities to either close or realign bases in your command? Have you done so recently?

Answer. Yes, most definitely. During our periodic reviews such as Status of Forces Agreements updates and other studies, we carefully look at the base structure. For example, during the past few years we finished the consolidation and closing of many Air Force bases in Japan. Similar reviews are conducted in Korea and other areas throughout the Pacific. Base closures, however, have reached the point where further significant reductions are not possible without impairment to the operation, planning, and training of our forces.

Question. Do you believe that more efficiencies could be realized by either realignment or closure of any more facilities in your command?

Answer. Our forward basing strategy for the defense of our country has been developed over many years. Regional decisions to adjust base structures have been driven by the political climate in host nations and the dynamics of the threat. The collective decisions associated with these two principal factors have left us with our current alignment in the Pacific. Though not perfect, we must use what we have to counter the ever-changing threat.

In my view there are no bases that lend themselves to closure or realignment. USPACOM forces are already constrained to the point that our capabilities are stretched to maintain the readiness posture necessary for a strong deterrence. To answer this question appropriately, the reverse question is applicable—what would we do without these bases?

The conclusion is inescapable: our bases in USPACOM are essential to guaranteeing our own security and that of free world nations in the region. There is no reliable substitute for the forward deployment of our forces in the Pacific.

LEASING OF FACILITIES

Question. What has been your experience with leasing of facilities and/or office space? Is it on the increase? What types of facilities are you leasing?

Answer. Leasing has not been used extensively in PACOM as a method of obtaining facilities due to the lack of available assets to lease.

The number of facilities leased is stable, showing little fluctuation year to year. The types of facilities leased are primarily administrative spaces and some land at the International Airport in the Philippines and family housing and administrative spaces in Korea.

Question. What percentage of your 1989 operation and maintenance budget is devoted to such leases?

Answer. The percentage of O&M funds being devoted to leased facilities is small, less than 1 percent.

Question. Do these leases have a tendency to tie you into a certain level of funding? When lease requirements are added to such things as civilian salaries, are you not left with no flexibility to take reductions to your budget?

Answer. Yes, to a degree the leased facilities do tend to tie up a small level of funding. However, the leases are either renewed or cancelled on a periodic basis and this creates some flexibility for each Service to judge the merits of the lease. Again, the amount spent each year within USPACOM on leases and their associated

O&M costs is so small that it does not have an impact on the flexibility of budget decisions.

NATIONAL GUARD AND RESERVE FORCES

Question. The inception of the "Total Force" concept in 1974 increased our reliance on the Reserve Components. Today, with all the discussions on active troop reductions and/or troop withdrawal from certain areas, additional requirements will be added to the missions of the Reserve components. To what extent, does CINCPAC depend on Reserve personnel? On National Guard personnel?

Answer. ———.

Question. In your opinion, is there a requirement for additional support from the Reserve components?

Answer. We have more work to do in the Pacific than we have units available to accomplish it in a timely fashion. Whether these units come from the active or reserve components is a judgment call for the Services. Without doubt we could use a lot more support in the same general categories where Reserves have played a traditional role: defense of the rear area (both ground and air defense), strategic mobility, combat service support, and during contingencies requiring full mobilization for protracted war, follow-on combat forces.

Question. How well do the assigned Reserve components perform their mission?

Answer. The Reserve components have proven to be a very valuable aspect of U.S. military readiness. The degree of professionalism and competence within the Reserve components is absolutely superior. Without the Reserve components, USCINCPAC would have difficulty in accomplishing its military mission.

Question. The General Accounting Office (GAO) issued a report on Military Capability—Readiness and Sustainability of U.S. Forces for a Conventional Conflict, dated August 1988. In this report, GAO stated that while the Department of Defense has achieved its objective of properly manned, equipped and trained combat forces, it has been at the expense of Army combat-support and combat service-support forces. The report states that the Army reserve component forces in the combat-support and combat service-support areas have low readiness ratings. In general, do you agree with the assessment of the GAO?

Answer. Yes. Our staff supplied data for that report. More recent data are contained in the SECDEF Report to Congress on Manpower, Mobility, Sustainability, and Equipment.

Question. Specifically, how does the low readiness level of the Army Reserve combat-support and combat service-support units affect your command?

Answer. After the initial phase of fighting, we may not be able to support our ground combat forces. The greatest impact is on Gen. Menetrey's ability to wage war on the Korean Peninsula. After the initial phase of fighting, he would start to experience serious delays in warfighting supplies due to manpower shortages in service support units from the Reserve components.

Question. Will these units be an effective force by their scheduled deployment date?

Answer. Given sufficient warning of the need for combat operations, an early decision to mobilize these forces, and concentrated training, these units can be effective when deployed. We need to ensure that lift is available to move them and sufficient supplies are available in the proper place to sustain them. The more time we have to prepare, the better off we'll be.

Question. What contributes to the low readiness level, i.e., number of personnel, number of unskilled personnel, shortage of equipment in poor repair, etc?

Answer. In general, personnel shortages are the main contributor to low Reserve Component readiness, with supply, equipment readiness, and training important factors. Additional data are contained in the SECDEF Report to Congress on Manpower, Mobility, Sustainability, and Equipment.

Question. What are your recommendations on how to remedy these deficiencies?

Answer. It will take a national commitment to recruit, train, equip, and supply personnel of appropriate ability to fill these units. We can't afford a hollow force of structure without manpower, nor can we afford just to recruit "warm bodies" when the war starts. The Reserve Component should be an extension of the Active Component, trained on the same modern equipment, organized and manned to perform their missions.

Question. Are there any other problem areas (not already addressed) concerning the readiness of the Reserve components in your command?

Answer. Even if we man and equip our Reserve forces to high levels of readiness, I am concerned that we do not possess sufficient lift to move them to where they're needed. When they get there, shortages of equipment, munitions, and supplies may preclude them from being an effective fighting force.

[CLERK'S NOTE.—End of questions submitted for the record.]

TUESDAY, FEBRUARY 7, 1989.

COMMANDER IN CHIEF, UNITED STATES CENTRAL COMMAND

WITNESS

GEN. H. NORMAN SCHWARZKOPF, COMMANER IN CHIEF, U.S. CENTRAL COMMAND

INTRODUCTION

Mr. MURTHA. The committee will come to order.

This morning, the committee hears testimony from the Commander in Chief of the U.S. Central Command. The area of responsibility for CENTCOM includes land areas of the Mideast, the Arabian Pennninsula, Eastern Africa, the Persian Gulf, and Red Sea.

The Commander in Chief for CENTCOM is General H. Norman Schwarzkopf, who succeeded General George Crist last November.

General, we welcome you to the committee and look forward to your testimony. Since this is your first appearance before the committee, we will include your biography in the record.

We appreciated your hospitality when Chairman Whitten and I were down at your headquarters recently.

We have reviewed your prepared statement and it will also be included in the record in its entirety. We ask you now to summarize your statement and then we will proceed to questions.

SUMMARY STATEMENT OF GENERAL SCHWARZKOPF

General SCHWARZKOPF. Mr. Chairman, members of the subcommittee, I am honored to appear before you for the first time as Commander in Chief of the United States Central Command.

I have prepared a detailed statement which contains my thoughts on many important aspects of the command and our area of responsibility. Please accept it for entry into the record.

AREA OF RESPONSIBILITY

Central Command's area of responsibility, which includes the Middle East, the Horn of Africa, and Southwest Asia, is vital to our national security. The Middle East portion alone holds 70 percent of the non-Communist world's oil reserves, and accounts for 20 percent of U.S. oil imports. These reserves exceed 100 years' supply for Western economies, with many promising areas not yet explored. Accentuating this is the fact that U.S. domestic oil production is forecast to decline by as much as 20 percent by the year 2000. Some estimates even go far as to predict that when the U.S. and Soviet Union's oil is depleted in the 21st century, the Middle East will have on hand almost 200 years' supply in reserves.

This area of the world also contains essential sea lines of communication that, in addition to providing for the movement of oil and other commerce, strategically link the Atlantic, European, and Pacific theaters for both the United States and our allies. These waterways, including the Suez Canal, Red Sea, and Persian Gulf, must remain open.

The importance of CENTCOM's area of responsibility is underscored by the U.S. commitment in the recent past of up to 24 combatant ships and over 16,000 servicemen and women to achieve our national objectives.

SOVIET PRESENCE

The Soviets are also interested in the area because of its oil and its strategic position. For the first time, they now maintain a significant naval presence in the Persian Gulf, and a floating, mobile logistics base in the Gulf of Oman. In addition, there is a well-established Soviet military presence in Ethiopia, North and South Yemen, and Iraq. Moreover, the Soviets stand as willing merchants to virtually anyone in the region, and with these arms deals come a heavy dose of Soviet advisers and military presence.

In the past five years, countries in the Central Command area of responsibility received approximately $30 billion in Soviet security assistance—$8 billion in 1988 alone.

This build-up of Soviet presence and influence in the region through a combination of persistent diplomacy, willingness to sell arms to virtually any buyer, and increasing military and political presence, poses a real threat to U.S. long-term strategic interests.

CENTCOM STRATEGY

To protect our vital national interests in the area, CENTCOM is guided by two strategies—one for peacetime and another for wartime. As I will describe, the wartime strategy is totally dependent on the successful execution of our peacetime strategy. The command's peacetime strategy is built upon three pillars: security assistance, U.S. presence, and combined exercises.

SECURITY ASSISTANCE

Security assistance is a small investment which pays a big dividend. I cannot emphasize this point strongly enough. Security assistance leads to presence; presence leads to access; and access to facilities in the region is absolutely vital to the command's execution of its wartime responsibilities. Moreover, security assistance is one key to the success of our warfare strategy, where, in the event of Soviet attack, our regional friends would assume responsibility for their own defense, freeing U.S. forces to counter the Soviets, if we have to. Unfortunately, the benefits from security assistance are now in jeopardy. Since 1985, with the exception of Egypt and Pakistan, funding for security assistance in my area of responsibility has declined 87 percent.

The most dramatic example of this decline is the case of Jordan, which over the years has not only been a steadfast friend of the United States, but a consistent voice for moderation and compromise in the area. Security assistance for Jordan has dropped by 89 percent since 1985. For fiscal year 1989, Jordan was provided only $10 million, down 62 percent from the $26 million provided in fiscal year 1988—and this to a nation that has the best record of debt servicing in my entire area of responsibility.

If you desire, I can give you other examples, such as the Yemen Arab Republic, which has suffered a 50 percent decline from $1 million in Fiscal Year 1988 to a half million dollars in Fiscal Year 1989.

My Security Assistance Chief in YAR says that bare minimum U.S. programs there simply cannot be maintained with this level of assistance; yet North Yemen is a critically important strategic location.

By denying these nations the arms they require for their defense, some people believe we are slowing or halting arms build-up in this part of the world. Nothing could be further from the truth.

Other countries, allies and adversaries alike, stand ready to fill the void we are creating, yet our friends in the area still tell me time and time again they would prefer to do business with the United States.

The Central Command Security Assistance Chief in one country recently told me that one of his European counterparts expressed it this way: "Because of its security assistance practices, the United States is Britain's best marketeer."

Another told him that if the United States continues to do business the way we have in the past, he will be provided all the free French wine he can drink; and, I must quickly add that the Soviets never fail to try to step in anywhere our security assistance practices create a vacuum.

In short, the erosion of our programs has actually escalated the probability of increased arms acquisitions. This is particularly true in the cash sales area of security assistance where over $43 billion in known sales have been lost by the United States in the last four years.

U.S. PRESENCE IN CENTCOM AREA

The second pillar of the command's peacetime strategy is presence. The Joint Task Force Middle East is the most visible portion of our presence in the area.

This task force not only meets our responsibilities in the Gulf, but sends a clear message to friends and potential adversaries alike that we are committed to, and capable of, meeting our obligations in that part of the world.

Also, I want to emphasize that our security assistance teams in moderate CENTCOM nations provide us with a level of presence that is critical in developing relationships that ensure we will have access in times of crisis.

COMBINED EXERCISES

The third pillar of our peacetime strategy is a well-developed program of frequent combined exercises which bolster mutual confidence in our collective ability to execute coalition defense of the region. Our operational successes have provided new opportunities to gain access through our exercise program. I ask your continued support for the funding that will make these new training initiatives possible. By demonstrating our resolve, the foregoing peacetime strategy should preclude the need for the command to execute its wartime strategy. Nonetheless, the command must be prepared to fight—and we are—if we can get there and if we have access to vital facilities. The President's budget supports our war-fighting needs. Let me point out some of the most significant requirements for Central Command.

CENTCOM REQUIREMENTS

The first is air and sealift capability. Central Command's area of responsibility is 7,000 miles by air from the United States, and up to 12,000 miles by sea. Moreover, the command has no ground forces permanently assigned to the area. Thus, in a crisis, our ability to move forces to the region quickly depends on adequate lift capacity. I encourage the committee to support the C–17 program, which will increase our lift capacity, and any program which will improve the command's ability to get special operations forces in and out of rear areas.

Other programs, such as expansion of the Ready Reserve Force, the container ship modification program, and fast sealift capability programs such as the SL–7, are also important to us and merit your support.

A second critical resource is prepositioning of materiel in friendly countries in the region. To support fast deployments, the command depends on prepositioned war-related materiel, including fuel, ammunition, medical supplies, food, vehicles, communications equipment, and bare-base kits. Past congressional support has been key to improving the command's posture in prepositioning. I ask that your support continue. An effective plan for prepositioning cannot be accomplished without adequate infrastructure. That is why a third resource area, military construction, is so necessary.

Military construction provides the aircraft runways, taxiways, parking aprons, warehouses, fuel facilities, and security systems that make prepositioning possible. Thanks to strong congressional support in recent years, Central Command has made good progress on several military construction projects.

Continued support in 1990 to 1991 for military projects in ——— and Lajes in the Azores is essential.

Other critical aspects of high priority are readiness, sustainability, command and control, communications, intelligence, and particularly the newly structured anti-satellite or ASAT program. All play a key role in our ability to successfully execute wartime missions in the area of responsibility. Again, with your assistance, we have been able to move forward. I ask your support for these Service programs which are integral to our war-fighting capability.

CONCLUSION

Mr. Chairman, members of the subcommittee, in the last year and a half, the United States has achieved significant military success in Central Command's area of responsibility, and this has restored American credibility in the eyes of our friends in the region. Both our peacetime and wartime strategies depend on preserving this hard-won credibility by showing our friends that our commitment to their security is honest and enduring. I am convinced that for only modest increases in our comparative inexpensive security assistance programs and with a loosening of overly restrictive arms sales policies, we can ensure the preservation of our stratigic interests in the area—to do otherwise risks losing what we have gained at high cost of American blood and treasures.

With your support, I can assure you that the Central Command will be able to accomplish its mission.

Thank you. I will be happy to respond to your questions.

[The statement of General Schwarzkopf is printed at the end of this hearing. See page 319.]

CENTCOM AREA OF RESPONSIBILITY

Mr. MURTHA. General, looking at the map, I see the land area that you have responsibility for.

Do you have the same responsibility for the sea areas there?

General SCHWARZKOPF. Mr. Chairman, what we have right now is if you were to draw a line across the mouth of the Persian Gulf at the Straits of Hormuz, we have the Persian Gulf area. If you were to draw a line straight across the Bab El Mandeb, we have the Red Sea area. Currently, this subject is being addressed by the Joint Chiefs and recommendations have been made to give additional water areas to Central Command.

Mr. MURTHA. What changes are you talking about?

General SCHWARZKOPF. Some proposals have even given CENTCOM all the Indian Ocean. I don't think CENTCOM should have the Indian Ocean. I am not in the business of anti-submarine warfare.

Mr. MURTHA. Are you looking at coordination of command structures. I understand the Inspector General did a study of unified and specified command headquarters and recommend some changes. Are you in the process or are the Joint Chiefs in the process, of looking at the recommedations?

General SCHWARZKOPF. Yes, sir, they are.

SECURITY ASSISTANCE

Mr. **Murtha**. Talking about the security assistance funding, you made it clear to Chairman Whitten and myself, that you had problems with the lack of flexibility. All the money is earmarked.

Give some examples. For instance, is there a country where you could use some money in a short time, but the money is unavailable because it is earmarked?

General **Schwarzkopf**. A good example is Jordan, with $26 million last year and $10 million this year.

Jordan isn't buying anything, nothing this year in the way of equipment from the United States, but they need a great deal more security assistance money just to be able to maintain the equipment that they have on hand that the United States has sold them.

If we don't provide them more than $10 million, literally the U.S. equipment will go into disrepair and they won't be able to use it.

Mr. **Murtha**. I assume that if they start buying equipment from somebody else, they will also use other trainers and support equipment and gradually start pushing themselves away from the United States. They start training their officers in other countries, as well. They start having other technicians in to help with maintenance of the equipment.

General **Schwarzkopf**. You talk about military—a good example, if you take my entire area of operations, even with people on temporary duty, I have a total of 700 U.S. people in my area of operation. The Soviets currently have ———. In the Yemen Arab Republic, my Security Assistance Chief said to me, "I am outnumbered 50 to 1, and I am winning."

"We just had a big flyoff here and the ——— despite the fact that I have my little detachment and the Soviets have ——— people.

"You cut my funds and this year I can't execute my program." That is the sort of thing I am talking about.

I would have given, for instance, North Yemen an additional $1,500,000. It is very little to give to a guy who is outnumbered 50 to 1 and still is doing great things over there. That is a typical example of the problem I am having when the security assistance funds get so low. North Yemen is in the red column because there is a heavy Soviet presence there. We have a U.S. presence there that is doing well and doing better every day. I think there are real inroads we could make in North Yemen.

Mr. **Murtha**. Congressman Wilson worked very hard to get the Russians out of Afghanistan.

General **Schwarzkopf**. I told him now that the problems are solved in Afghanistan, there are other areas I would like him to pay attention to.

Mr. **Murtha**. That is right.

Mr. Wilson?

SECURITY ASSISTANCE TO PAKISTAN

Mr. **Wilson**. General, there is going to be, I am sure, an effort or a tendency in Congress to reduce the security assistance that we provide Pakistan now that the war has come to an end.

Have you got any thoughts on that?

General **Schwarzkopf**. I think that would be a mistake.

In Afghanistan, we are halfway through the door.

Yes, the Soviets are leaving, and that has gotten us halfway through, but the other question is what kind of government are we going to end up with there when this is over?

I don't feel that the United States in its present position can do very much to influence that, but I think Pakistan can do a great deal to influence that, and, therefore, I think it is important that Pakistan stay a close friend of the United States because I think they will have an important role to play in the ultimate determination of Afghanistan.

They have been a great friend of the United States. They are a bulwark against the Soviet Union expansionism in the area, and I don't think we should lose sight of the fact that many times in the past the Soviet Union and China have looked to come through that area and take it over.

So I am concerned that we are turning our backs on a staunch ally who is a close friend of the United States.

Mr. **Wilson**. I agree.

I never have quite understood how it works.

Do you have anything to do with the decision for military sales to countries in your command other than just an advisory role?

General **Schwarzkopf**. Just an advisory role.

Mr. **Wilson**. So the proposed sale to the United Arab Emirates——

General **Schwarzkopf**. I am not in the approval authority chain of that sale. I would, of course, do everything I could to influence—if I didn't think that they should be getting something, I would provide a very strong input to anyone who would listen to me.

By the same token, if I do think they should get something they are not getting, I have input.

As far as any decision-making authority or any ability to influence that other than by my advice, I have none.

When it is approved, I administer the program in those countries because every one of those officers is assigned to me.

Mr. **Wilson**. Does the military assistance advisory group in Pakistan report to you?

General **Schwarzkopf**. They belong to me.

Mr. **Wilson**. The same thing would apply to the ———?

General **Schwarzkopf**. Yes. ———.

Mr. **Wilson**. For what it is worth, I anticipate real struggles this year with sales in the Gulf.

I think there is going to be a lot of opposition to the ———. Not only are those sales beneficial to military relations with those countries, but our armed forces save a lot of money by keeping the production lines up.

ARMS SALES IN PERSIAN GULF

Mr. **Murtha**. General, would you go over what you said earlier about the shortage of advisers and the problems we have when we don't sell that equipment over there.

General **Schwarzkopf**. I said in my statement that a lot of people are under the impression that if we don't sell arms to the nations of the Gulf that they are not going to have them.

That is a faulty assumption.

An example of what I am talking about, if you look at Chart 7 that is before you, is Saudi Arabia, and you will notice that for 1986 and 1987, the green portion here representing sales from the Free World, less the United States, is very low.

That was at the time when Saudi Arabia was trying to get F-15s from the United States.

We refused to give them the F-15s, so what happened—in 1988, they turned around and bought the weapon systems from the British, and the British made $30 billion cash on the deal.

But that is not anywhere near as significant——

Mr. **Murtha**. Thirty million dollars?

General **Schwarzkopf**. Thirty billion dollars.

Mr. **Wilson**. That was the amount of the sale, not profit.

General **Schwarzkopf**. That was a $30 billion sale.

The important thing to remember is this, they wanted an F-15 that is a defensive weapon system. We turned them down so they got a weapons system that is an offensive air system.

Mr. **Murtha**. How do you compare that with the F-15?

General **Schwarzkopf**. Let me give you comparison numbers that I have—it is really the Tornado. The Tornado has longer legs——

Mr. **Murtha**. Longer legs——

General **Schwarzkopf**. More range. It has a look down radar capability. It has an offensive capability and can carry a bigger payload.

Mr. **Murtha**. Are you saying it is a greater threat ——— than the F-15?

General Schwarzkopf. No question. that is my point. If we don't sell them tanks, they will turn around and buy the tanks either from the Brazilians or from the Soviet Union or the British.

They prefer to do business with us, but if we don't do business with them, they do business with someone else.

Mr. Wilson. What do you say to the Israeli argument that the M-1 is a better tank than the Russians?

General Schwarzkopf. I am not anti-Israeli. I am really pro-United States. I am interested in my area of responsibility. The M-1 tank is a superb piece of equipment. Some would say it is the finest in the world. There are others who would disagree with that. Pakistan is a good example. We have gone through quite a competition there and are still not sure what tank they are going to buy. Even if the M-1 tank is that good, the difference is marginal when it comes to the capability these countries are going to get. There are other areas where what they are going to get is equal or greater. The Tornado is a good example—they would prefer not to buy the Tornado.

There is another important point, because along with the airplane deal also goes the spare parts, also goes the equipment, also goes the building of runways, also goes the presence of the British advisers in the country and a lessening of United States influence.

You lose everything else, all the tail that goes with it, and that really causes me a great deal of concern.

Mr. Murtha. You are saying that our presence in the Gulf is one thing and they want to support us, but they are worried about Iran. And if we don't go along with these weapon sales, it weakens our position there politically. In addition, if we sell the arms we can keep our production lines operating and reduce the cost of our own arms.

General Schwarzkopf. For example, the Stinger buy-back provision to Bahrain. We gave Bahrain 70 Stingers and told them 18 months from now, you have to give them back ——— launchers and 70 missiles. We said 18 months from now, you have to give them back to us. Bahrain has been the strongest supporter of United States operations in the Gulf since we have been there. They have stood up and said the United States is right and we will support them. ——— and they say we don't want to buy from anybody else, we want to be a friend of the United States.

We sold 400 Stinger missiles to Saudi Arabia and didn't put any buy-back provisions on those at all.

Mr. Wilson. Weren't the missiles sold to Saudi Arabia under presidential emergency initiative and Congress had to approve the Bahrainis' missiles?

General Schwarzkopf. Yes.

Mr. Wilson. That is the answer.

Was it Bahrain that somebody got a few Stinger missiles from places———

General Schwarzkopf. That is Qatar, right next door to Bahrain.

We don't know how many they got. We have suspicions, but we don't know where they came from.

Mr. Wilson. We don't have the serial numbers?

General Schwarzkopf. No.

Mr. **Wilson**. What country is that?

General **Schwarzkopf**. Qatar, south of Bahrain.

Mr. **Murtha**. Where did they get those?

General **Schwarzkopf**. ———.

SECURITY ASSISTANCE

Mr. **Murtha**. How much flexibility do you have with security assistance? How much money is not earmarked?

General **Schwarzkopf**. My total security assistance program is $1,558,500,000. Of that, $1.3 billion goes to Egypt, $230 million to Pakistan, and $15 million to Kenya, so out of the $1,558,500,000, I have $1,545,000,000 that is earmarked and I have the remainder that is split up among the remaining countries.

Mr. **Wilson**. You don't have Israel?

General **Schwarzkopf**. No, sir.

The answer to your questions is practically none.

Mr. **Murtha**. Mr. Young?

READINESS

Mr. **Young**. Thank you, Mr. Chairman.

General, when the Chairman of the House Armed Services Committee was asked about making reductions to the defense budget, he said cutting readiness may be the smartest thing to do. What is your reaction to that?

General **Schwarzkopf**. As a military man, I have a knee-jerk negative reaction to anybody that talks about cutting readiness.

Mr. **Young**. He went on to suggest that there might be a difference between long-term national security and short-term needs.

Do you see room for discussion there? Is there a difference between long- and short-term?

General **Schwarzkopf**. I don't know the context in which he made that comment.

Readiness is in the eye of the beholder in many cases. To my mind, it is simply the ability of the forces that are going to be given to me and Central Command to fight and the ability to be able to fight and sustain themselves.

Obviously, the weapon systems will change between those we have now and those we have in the long term, but the question of whether or not the forces will be able to fight is not going to change.

They either can or can't or there is some degree in between.

That is what readiness means to me.

Mr. **Young**. I wonder to what extent the Aspin position might be debated when we debate these issues and I will be asking questions of those in the military. Those who will actually have to fight whether they agree with that statement.

General **Schwarzkopf**. I will be very surprised if anyone in the military says that they think cutting readiness is a good idea.

Mr. **Young**. I would be, too, as a matter of fact. Whichever one does, we probably have to find out how long he has to go in his regular assignment. When you talk about readiness, you also have to talk about sustainability. You can be ready for a couple of days, but if you can't sustain that, you have real trouble. Can you rate the sustainability of Central Command for us? I understand it would depend on the situation and the mission. You have obviously done some contingency planning and training. How do you see your sustainability?

General SCHWARZKOPF. Right now, our sustainability is not in good shape. On the long haul, we have 50 percent of our supplies and equipment on hand——

Mr. YOUNG. Are they on hand in-country or prepositioned?

General SCHWARZKOPF. They are either prepositioned or in the United States or earmarked. Fifty-three percent of our petroleum products and 40 percent of munitions we will need are on hand. The things we are short are the very high-dollar items, the major end items, tanks and equipment of that sort, the modern-type munitions that are required to take on the level of threat that we might have to face if we had to fight the Soviet Union, but they cost a great deal of money and the Services don't want to buy those and stockpile them. In our prepositioned supplies, we have 18 percent of supplies and equipment on hand; petroleum 31 percent on hand, and another 44 percent is coming on line. For munitions, we have 78 percent on line. The shortage is about the same as I told you before, regular end items and high-cost munitions.

Mr. YOUNG. What about personnel?

General SCHWARZKOPF. The combat forces, no problem. The combat service support forces, we still have a problem, predominantly in the Army Reserve, based on the ability of the Army Reserve personnel to get the necessary training.

That is the bad news.

The good news is we are getting better all the time, because in 1987, we were 30 percent not combat ready for personnel in 1988, 26 percent, so we are whittling away and getting better.

Mr. YOUNG. Is training included in that figure?

General SCHWARZKOPF. Yes, sir.

CENTCOM ROLE IN BUDGET PROCESS

Mr. YOUNG. General, when the Pentagon budget officers come here before this committee, and that is usually the witnesses that we get, having people like yourself before the committee is sort of a new procedure. When the budget office begins to work up their five-year plan or adjustments, Bush adjustments to the Reagan plan, et cetera, to what extent are you involved?

General SCHWARZKOPF. Let me give you a short answer and then go into more detail, if you like. I am allowed to provide input at the beginning of the process and I am allowed to provide reclama at the end of the process. So I have an opportunity to state what my needs are upfront, but then it goes to the Services.

I have officers from my command that practically live here when the Services are putting together their budget, and they let me know what is going on and come back and tell me and I say, "keep on fighting for this," but it is an unofficial role. We have the Defense Resources Board and I state my major concerns with the budgets and then decisions are made as to whether or not they will support my concerns. So it is input at the front end and reclamed at the rear end.

Mr. YOUNG. To what extent would it be helpful to your command and your mission to be able to be a player throughout the process?

General SCHWARZKOPF. That is a mixed blessing. I really don't want my own budget. I will tell you that I am a regional CINC responsible for warfighting in my area and security assistance. I am not too sure that having my own budget wouldn't detract from my ability to perform my mission. On the other hand, there are certain areas I would very much like to influence, certain areas where I would like to have the funds given to me and fenced for all intents and purposes. I said I am not in favor of earmarks and now I say the opposite, so you might accuse me of being wishy-washy. Security assistance, I have no input to how security assistance dollars are split up. The other area that is important is exercise——

CENTCOM ROLE IN SECURITY ASSISTANCE

Mr. MURTHA. Let me interrupt you.

Did you say that you have no input into how the security assistance money is spent in your area?

General SCHWARZKOPF. That is right.

Again, I have informal input, but security assistance money is handled through the Department of State and then after they have come out with their allocation of the funds, then I get to comment on the allocation of the funds, but by that time, the funds have been allocated.

Mr. WILSON. The State Department doesn't have much discretion either because we earmark the funds.

Mr. YOUNG. I understand.

Mr. MURTHA. In the new $100 million they want, in the Near East, there is $20 million for Jordan and Qatar, and Yemen is half a million. That is a recommendation you made?

General SCHWARZKOPF. Yes, sir: $20 million for Jordan and half a million for Yemen. I did have an opportunity to make those recommendations.

To get back to where I was on exercises, if I want to conduct an exercise in the Middle East, each Service participates in those exercises. The funding for those exercises are provided through the Service budgets to the commanders underneath them. If those commanders choose during the course of events because they are feeling the pinch someplace else to divert funds from my exercise program to another program they consider more important, they will do that and that impacts on my ability to do the exercise. That is terribly disruptive, especially when you have the allies committed and you have to cut back on your exercises because the funds have been diverted someplace. Last year I was the Chief of Operations for the Army and I would argue exactly the other side of the question, saying that everybody has their own priorities and the Army priorities are such and such and, therefore, they may be higher than what this errant CINC out there who has tunnel vision wants to do.

It depends on your point of view.

AIRLIFT AND SEALIFT

Mr. YOUNG. We understand that, especially in times of having to scratch for the dollars that go into the defense budget. There was a time if there was something we all felt was necessary, we were able to find money, but all those pools have pretty much dried up. We are concerned with the ability of you and the Central Command to be able to carry out whatever mission might be assigned to you. Something else that we are concerned about, in an earlier hearing with the Commander in Chief of the Transportation Command, we heard the woes of shortage of airlift and sealift.

How does this affect your mission? Are you worried about the ability to get where you have to get and get what you have to have there with you?

General SCHWARZKOPF. I am extremely worried about that and it is going to get worse rather than better particularly in my case because over 90 percent of everything that is going to flow into my area of operation comes by sea.

With the Suez Canal closed, the fastest ships would take 28 days to deliver equipment to the AOR. So even though I have good airfields in the area and expect to have access to those airfields, if we don't have the ships to get the supplies there, we are going to be waiting around to fight the war.

Probably one of my biggest concerns is the fact that with the C-17 program, I will eventually be able to get the troops there. It is the logistics tail that is so important to back them up that isn't going to get there unless the sealift program is improved.

Mr. MURTHA. You are talking about a 12,000 mile sealift?

General SCHWARZKOPF. Yes, sir.

Mr. MURTHA. And over 90 percent of the supporting equipment would have to come by sea?

General SCHWARZKOPF. Yes, sir.

Mr. MURTHA. Even with the C-17s, you are still at over 90 percent?

General SCHWARZKOPF. Yes, because there is a lot of heavy stuff that is going to have to follow up by sea. That is one of the reasons why prepositioning is so important. The more we can preposition and secure, the less we will have to take when the time comes. It is the same thing as the POMCUS stocks in Europe.

Mr. YOUNG. What about the maintenance of those prepositioned supplies and equipment—is that a serious problem or not a problem? Where do we stand on maintaining that equipment or supplies that are prepositioned?

General SCHWARZKOPF. That is a "glad you asked" question. ———. You would think that in a country like that next to the ocean with salt air and high heat, you would have all sorts of problems, and we didn't.

Mr. YOUNG. Tell the chairman that you and I did not rehearse that question and answer.

General SCHWARZKOPF. No. I am happy you asked it anyhow.

Mr. YOUNG. On the subject of airlift and sealift, if you had the perfect world and you could have whatever you wanted, what would you conservatively say that your needs in airlift and sealift are?

General **Schwarzkopf**. I am not too sure I can answer that question to you quantitatively. I will have to provide the numbers for the record.

To me, it is a combination of two things: Number one, you have to have a merchant fleet that is responsive to the needs of the country at the time when the country needs them. What is happening is more and more of our merchant fleet is converting to bigger and bigger container-type ships and that is not necessarily the type of ships we can use. Secondly, the fleet is getting smaller and smaller. The other thing that I would look for is fast sealift. If you get sealift that can get there quickly and turn around and get back, we don't need as much of it, and I think there is technology in the world today that can provide the fast sealift that we need.

The exact numbers, I can't give you now.

[**Clerk's note**.—Classified insert removed.]

Mr. **Young**. Thank you, General. We appreciate your comments and responses this morning.

Mr. **Murtha**. Mr. Hefner?

Mr. **Hefner**. I have no questions, Mr. Chairman.

Mr. **Murtha**. Mr. Sabo?

Mr. **Sabo**. I will pass.

Mr. **Wilson**. Have you taken delivery on the ships?

General **Schwarzkopf**. They are due any day now. They may have already taken delivery.

Mr. **Hefner**. Could I ask a question off the record, Mr. Chairman?

Mr. **Murtha**. Off the record, please.

[**Clerk's note**.—Discussion off the record.]

Mr. **Murtha**. Back on the record, please.

SECURITY ASSISTANCE TO PAKISTAN

Mr. **Wilson**. I am sure that you know this, but it is going to be very, very difficult to hold the FMS for Pakistan at the level it has been because without the Afghan war, it is going to be very difficult to convince our colleagues that we should extend the waiver on the nuclear program. My judgment is that she can't accept great constraints on the nuclear program without causing a crisis in her country so I think that the FMS sales to Pakistan are going to be in some difficulty.

Mr. **Murtha**. Do you agree with his assessment on the nuclear program, that it is important to her?

General **Schwarzkopf**. It is an issue that, of course, the whole country is focused on right now.

When I was there, I spoke very directly to key leaders in Pakistan and told them that I was concerned about exactly the same thing you are talking about, that they are in great jeopardy if they don't walk that cat back a ways from where they are now. If they don't get the certification, they are not going to get it, because the United States listens carefully. They pay attention, and I think they have had a signal sent to them that we are serious about this business.

Prime Minister Bhutto has made it clear that she is not interested in nuclear weapons for military use.

Mr. WILSON. Nobody is. We only use that for peaceful stuff.

General SCHWARZKOPF. You said that, sir. It is a concern, but I think it is a concern that they are very much aware of.

Mr. WILSON. Just to give you an idea, the dynamics in Paksistan are such, Congressman Solarz came back from a visit not long ago and had a press conference a week ago and said that he had been there and he had talked to Prime Minister Bhutto and to everyone else concerned and that they had agreed that it would be a good idea to allow the United States a bilateral inspection of their nuclear facilities if we would provide them with all the nuclear genertors they need. When that hit the newspapers in Pakistan, everything went combustible. She came back saying that they could never agree to accept more restraints than India had. My judgment has always been that primarily because of her father's statement, that it is politically impossible in Pakistan for them to walk the cat back very much as long as India's cat is there. So it is going to be tough to handle it in office because without the Afghan war as a reason to prop it up, it will be very hard.

Mr. MURTHA. Mr. McDade?

Mr. MCDADE. No questions.

CHEMICAL WEAPONS

Mr. YOUNG. Can I ask more questions?

This gives me a chance to ask questions on another subject, chemical weapons. This is the only place we see in the news and this is where we have knowledge of an active plant capability of making these kinds of weapons.

How do you see the threat there?

General SCHWARZKOPF. I think that is a very real threat. I think you have probably heard that Iraq has captured the imagination of a lot of people over there by using chemical weapons and achieving what is perceived to be a major victory and, therefore, a lot of other countries perhaps perceive that they need a chemical capability—it has been alluded to as the poor country's nuclear weapon. We constantly assess that. We are looking not only at the chemical weapon capability of countries, but also their ability to deliver them through such things as missiles. It is proliferating over there. We know some countries have chemical and nuclear capability. Other countries we know are in the R&D stages on chemical and nuclear weapons. It is something that has caught the imagination of people over there and I think it is something that we will have to have a great deal of concern about in the future.

Mr. YOUNG. Would you care to comment on what we ought to be doing or should do diplomatically, politically, or militarily?

General SCHWARZKOPF. That is a tough question.

One of the first things I would tell you, if some of these people over there were convinced that they could depend upon the United States for their defense, they wouldn't feel they needed to develop the capability. Whatever sanctions that we can continue putting upon anyone in the Free World that provides the capability for people to produce chemical weapons is something we ought to continue to do, but unfortunately, chemical weapons are very easy to produce. Anybody that runs a decent fertilizer plant can produce chemical weapons if they choose. That is a tough thing to do.

Aside from that, I don't have any great answers other than to continue the pressure, the international negotiations and the rhetoric. They are there and they are going to continue to be there and I think they will continue to proliferate. I cannot conceive of an Iran without chemical weapons in the next five years. ———. They are convinced of that throughout the Gulf region.

Mr. MURTHA. No matter what happens with the leadership?

General SCHWARZKOPF. Iran has thousands of years of being a pariah in the district.

Look at the emperors years ago and the wars they waged throughout the area and the conquests they made—I had somebody, I am trying to remember which country—they said what we really have is a lull. It is not a ceasefire, an end of the war, it is not peace; we have a lull.

I said how do you describe a lull? He said how do you describe it? ———. They feel Iran is so unpredictable that any time they could just do something that was national suicide and could start that over again. They want us to stay there to make sure that doesn't happen.

Mr. MURTHA. Do you have intelligence indicating that chemical weapons as being manufactured anyplace in the area?

General SCHWARZKOPF. I have a long list of places I could give you where I see they have a chemical capability or they have R&D going on in the nuclear area. ———.

AHIP AIRCRAFT IN THE PERSIAN GULF

Mr. YOUNG. If I could ask one more question. This has to do with a particular piece of equipment. Recently I understand you deployed some AHIP aircraft in the Persian Gulf. Could you tell us something about their mission and whether or not these aircraft performed as they expected they would?

General SCHWARZKOPF. Sure. ———. They have done a magnificent job. They are very effective. When I was there three weeks ago, I went out to visit ——— and talked to the commanders and they are so high on those aircraft that they said, "Don't be in a big rush to take them away from us."

They said, "We like them. It has been a great capability."

Mr. YOUNG. Thank you, Mr. Chairman.

Mr. MURTHA. I guess you don't have control over the A-6s there—we have this concern that between the two, going between ATA, we haven't got something in between.

General SCHWARZKOPF. You are talking about the close air support aircraft?

Mr. MURTHA. Yes, sir.

Do you have any carriers that you operate with at all?

General SCHWARZKOPF. Yes. We have a carrier in the Northern Arabian Sea. I have an agreement with CINCPAC that ———. They just flew two F/A-18s to Dubai and they are flying two to Kuwait because Kuwait is considering buying the F/A-18 and their pilots want to see it.

Mr. MURTHA. Mr. Miller?

MINE COUNTERMEASURE CAPABILITY

Mr. **Miller**. Thank you, Mr. Chairman.

General, you have emphasized the importance of the strategic waterways in the region, the Strait of Hormuz, the Suez Canal, the Red Sea, and the like.

With respect to the flow of commerce, and in wartime the timely deployment and sustainment of our forces in that area in the event that we should ever become involved in armed conflict in the region, do you have enough mine countermeasure assets to keep these strategic waterways open?

General **Schwarzkopf**. I would answer your question by saying it is probably marginal. As you know, in order to conduct the Persian Gulf operations, we had to get some wooden-bottomed minesweepers to the Gulf that were very tough to deploy.

As far as the naval capability to conduct minesweeping in both the Straits of Hormuz and the Bab El Mandeb in a full-scale, all-out war, it could be close. ———. I think they also have a good capability. I guess I am giving you a very waffled answer to a very straightforward question. I think at the present time we have the capability. I am not confident that we have a great capability.

ASSISTANCE FROM JAPAN

Mr. **Miller**. The region is important to Western Europe, our allies, and Japan.

What about Japan? Would they be helpful and what type of assets could they make available in that region in order to be helpful?

General **Schwarzkopf**. As you know, the Japanese constitution prohibits them from deploying any military forces outside the defensive waters of Japan, so I would not anticipate any help from them on minesweeping. The Japanese have no ships in the Gulf, but they have contributed money toward establishing a precision navigation system within the Gulf that wasn't there before. That system helps us to precisely pinpoint ship locations, if a ship spots a floating mine, with the help of the precision navigation system, we will be able to say this is exactly where it is and we can get our other ships there to take it out. The type of help we would expect from the Japanese would be that kind of help; financial.

Mr. **Miller**. I am aware of the restriction under their constitution that they have, but also they are allowed to protect themselves out to 1,000 miles and they have built a lot of aircraft and ships. I was not aware whether they also had minesweepers. If they have, that could be helpful. Perhaps you could inform us whether they have built that type of ship?

General **Schwarzkopf**. They have fine minesweepers and I would love to have them over there in that area to assist us.

Mr. **Miller**. Are any of the nations in the region interested in buying U.S. mine countermeasure vessels? Have they contacted us? Are they interested in this type of thing?

General **Schwarzkopf**. I really don't know the answer to that question.

Mr. **Wilson**. We are buying them ourselves from Italy.

Mr. **Murtha**. We have questions for the record, and Mr. Livingston has questions for you to answer for the record.

If there are no other questions, thank you very much, General. We appreciate your coming.

General **Schwarzkopf**. Thank you, Mr. Chairman.

Mr. **Murtha**. The committee will adjourn.

[Clerk's note.—Questions submitted by Mr. Livingston and the answers thereto follow:]

Question. General, in your written statement you mention the importance of "Logistics Over the Shore" (LOTS) in terms of sustainability. You mention how your Command only has a ———. What size of a force would be deployed to meet your goal of ———?

Answer. Our present capability allows us to fully deploy our current force. However, because of the shortfall mentioned above ———. This is critical because of the requirement to use time consuming alternatives such as finding another port in an austere part of the world and the extensive road hauling then required to properly position the equipment.

Question. Your present capability means you can only meet approximately ——— of your goal. Does this mean that Lighter Amphibious-Heavy (LAMP-H) will provide more than ——— of the LOTS requirement?

Answer. The Army requirement is to purchase 28 LAMP-H with a total capability of 7,840 STONS/day. There are also other types of equipment planned to build towards the ——— STON goal (i.e., LCM-8's and causeway ferries).

Question. Please describe for the record what LAMP-H is and why its capabilities are so important as compared to existing or other proposed systems?

Answer. ———. The requirement that the Army has prepared does not describe a particular type of vessel/vehicle to accomplish the task; industry may develop many options that will all fall under the description of LAMP-H.

Question. In view of the pressures on the Defense budget, what is the degree of commitment by the Army and Central Command to LAMP-H?

Answer. ———.

[Clerk's note.—End of questions submitted by Mr. Livingston. Questions submitted for the record and the answers thereto follow:]

PERSIAN GULF OPERATION

Question. Former Defense Secretary Frank Carlucci said recently that the success of the Persian Gulf operations was one of his proudest achievements as Secretary. Do you also consider this a success, and if so, why?

Answer. Yes—Operation Earnest Will showed that the United States presence can promote stability and achieve a political goal. The ability to deploy the right forces necessary to conduct such an operation demonstrated the flexibility and interoperability of our forces. More importantly, our actions in the Gulf, including our measured responses to Iranian provocations, showed our friends in the region that the United States sticks to its commitments and is ready and able to wield military might to underscore those commitments.

Question. What lessons have been learned from the Persian Gulf experience in terms of tactics, manpower, deployment, equipment, and chain-of-command?

Answer. The initial months of Earnest Will operations revealed a need for a responsive chain of command to coordinate joint operations. USCINCCENT proposed CJTFME staff be formed to oversee all PG opertions. Critical expertise was required from all four services to man the staff and the services responded quickly.

The establishment of a Joint Task Force Middle East proved to be an effective means of controlling all service assets that were in direct support of the mission. Operations were very efficient with a clean chain of command to the National Command Authority. ———. The placement of Army Special purpose helicopters on Navy ships proved to be very effective in the low intensity conflict environment in the Gulf. These helicopters increased our surveillance capability ——— and were instrumental in the detection and taking down of the Iran Ajar in September 1987. The use of specially fitted barges as Mobile Sea Bases with Special Operating Forces onboard were ideal platforms for surveillance and deterrence in the Northern Gulf. Their presence decreased the number of small boat attacks and prevented the laying of minefields along the merchant transit track in their area. ———. The Aggressive class minesweepers currently in use are old and required extensive support while operating in the gulf highlighting the need for the new Avenger Class MCM ship being produced by Navy. ———.

Question. At its peak, the Persian Gulf operation included 24 combatants, along with patrol boats, minesweepers, attack helicopters, mobile sea bases and special operations forces. What forces are currently operating in the Gulf?

Answer. ———.

Question. What role is our NATO and other allies playing in the Persian Gulf? Is it enough?

Answer. ———. Naval forces of Britain, France and Italy maintained combatants in the Gulf to monitor/accompany merchant vessels of their respective flags. ———. A totally separate area is that of mine countermeasures. ———. British, French and Italian MCM forces worked in sweeping for mines in known and suspected areas in the Central and Southern Persian Gulf and the Gulf of Oman. Belgium and the Netherlands also provided MCM forces which operated in concert under the protection of British combatants. ———. For the limited mining environment that existed in the gulf their support was appropriate. Since the August 1988 cease fire the Belgium, Italian and Netherlands forces have departed the region. ———.

SECURITY ASSISTANCE

Question. In your prepared statement you point out that countries in your area of responsibility received $28.5 million in fiscal year 1989 for security assistance, but that $147.5 million is required in fiscal year 1990. How would you allocate such a program?

Answer. $147.5 million is the minimum essential funding to sustain existing programs, to prevent degradation of previously purchased systems, and to protect major capital investments in Sudan, Somalia, Djibouti, Yemen, Kenya and Jordan. I would allocate the funds as follows:

	Millions
Sudan	$5.0
Somalia	6.3
Djibouti	1.6
Yemen	1.6
Kenya	13.0
Jordan	120.0
Total	147.5

Question What is actually in the fiscal year 1990 security assistance budget for these countries?

Answer. The actual security assistance budget for these countries for fiscal year 1990 has not been allocated. However, the administration's request is as follows:

	Millions
Sudan	$5.0
Somalia	15.0
Djibouti	2.0
Yemen	2.0
Kenya	15.0
Jordan	48.0
Total	87.0

Question. What has been the impact of cuts in security assistance on U.S. interests and influences in your area of responsibility?

Answer. Since FY 1985, security assistance funding reductions have eroded the effectiveness of our programs, threaten self sufficiency and regional defense arrangements, and have postponed force modernization and logistics support for existing systems. The current funding environment threatens U.S. influence and access in critical countries, as well as regional stability. The risk to stability increases the risk of involvement by U.S. forces, and decreases the support available should we be required to deploy to defend U.S. interests.

IMPORTANCE OF BAB EL MANDEB

Question. Why is the Bab el Mandeb important to U.S. security interests and how would you protect it if you should loose access to bases ———?

Answer. The Bab el Mandeb is a strategic choke point forming the back door to the Suez Canal and dominating the Red Sea—Gulf of Oman sea lines of communication. Since over 90 percent of USCENTCOM's forces and supplies are deployed to the AOR by sea, free passage through the Bab is crucial for timely and flexible force employment. Should this chokepoint be closed, U.S. forces would have to transit the Cape of Good Hope to reach the Middle East. This route increases deployment times by 50 percent from the East Coast, increases the time deploying units would be vulnerable to attack, and increases the assets required for timely sea-lift deployment and protection. The ability to rapidly swing forces from the Indian Ocean to the Mediterranean is also lost. Additionally, the importance of the choke point grows with the expanding Red Sea oil export capability. The Saudi's Red Sea terminal at Yanbu is expanding and by the mid-1990's could handle 60 percent of Saudi Arabia's planned export capability. Iraq is scheduled to complete its oil pipeline to Yanbu this year. When finished, 40 percent of Iraq's future export capability could be processed through Yanbu.

This terminal offers an alternative to passing through the Strait of Hormuz for access to Persian Gulf oil. However, access to the terminal by supertankers can only be done through the Bab el Mandeb since their size precludes transiting the Suez Canal.

Numerous alternatives to bases ——— for protecting Bab el Mandeb have been studied. All of the other basing options incur significant political and financial costs, and each is in a less desirable geographic location to accomplish military objectives. New negotiations would be required to gain access to any alternative location before the initial steps to build necessary facilities could be started. While Berbera is only 170 nautical miles from the Bab, other possibly available bases range from 260 NM to 1,970 NM. The increased distance from the Bab el Mandeb would require additional assets to establish and maintain an effective defense. ———.

VANDER SCHAAF REPORT

Question. A year ago, the Deputy Inspector General Derek Vander Schaaf completed a review of unified and specified command headquarters. The review was done at the request of Secretary Carlucci. The report recommended the CENTCOM area of responsibility be expanded to include all Sub-Saharan Africa plus Egypt. What is your response to this recommendation?

Answer. The mission assigned to USCENTCOM does not require the addition of the entire Sub-Saharan area. In addition, this territory still has strong historical, cultural and economic ties to Europe following their colonial heritage. In many nations, the European language, culture and training often form the basis for their current infrastructure and defense relationships. Considering these ties, USEUCOM is the more appropriate command to monitor U.S. interests in the sub-Saharan area.

Question. What actions are underway to implement this recommendation?

Answer. The AOR boundaries of all unified commands are reviewed biennially and adjustments made, where appropriate. USCENTCOM is currently working with the Joint Staff and Services in refining our boundaries.

Question. According to the report, the Persian Gulf operation highlighted two major problems with the Navy component of CENTCOM: 1) the awkwardness of the naval command structure, and 2) command and control associated with current area of responsibility sea boundaries. It made two recommendations in this regard. The first was to expand the sea boundaries of CENTCOM to encompass an area roughly 20 west latitude and east to 75 east latitude. The eastern sea boundary should begin at the India/Pakistan border and proceed south to east to Diego Garcia. What are your views on the proposal and what, if anything, is being done to implement it?

Answer. The entire water area recommended by the report is not required by USCENTCOM to accomplish its assigned mission. AOR boundaries of all unified commands are currently under review as part of the biennial review process and adjustments will be made, where appropriate. USCENTCOM is currently working with the Joint Staff and services in refining our boundaries.

Question. A second recommendation concerning the Navy component was to designate the Commander Joint Task Force, Middle East, as USNAVCENT, to move USNAVCENT headquarters to Norfolk, and to direct the U.S. Atlantic Fleet to assist USNAVCENT by providing intelligence analysis, data automation, force deployment data, and other support. What are your views on this recommendation and what, if anything is being done to implement it?

Answer. Redesignating CJTFME as USCENTCOM's Navy component command would make USNAVCENT both a logistical, long-range planning command and a tactical, operational command. The logistical, long-range planning functions are normally accomplished by a component command headquarters. To accomplish this function, the commander and staff must be aware of actions occurring or planning around the globe while focusing on the theater as a whole to ensure naval support to USCENTCOM is sufficient to accomplish assigned tasks. The tactical, operational functions are normally accomplished by a task force or lower level headquarters. There focus is concentrated on a limited geographical area with near-term planning and operations to include warfighting, being the primary concern of the commander and staff. Attempting to combine these related but separately focused requirements in one headquarters would preclude both requirements from receiving the degree of attention necessary to do either task well. Several other options are under consideration.

Question. Another recommendation of the Vander Schaaf report is to pursue vigorously an in-theater location for the CENTCOM headquarters, which are currently in Tampa, Florida, 7,000 air miles away from the region. Do you agree with this recommendation?

Answer. It is still highly desirable to have the U.S. Central Command headquarters located in its Area of Responsibility. However, we have proven we can successfully run a high intensity operation from our headquarters in Tampa.

Question. What sites might be available for a headquarters closer to or in your area of responsibility?

Answer. ———.

Question. What actions are underway to implement this recommendation?

Answer. We dispatched an initial engineering site survey team to ——— and found the offer promising. The cost is high however; approximately $500 million including $75 million for a ———.

SUSTAINABILITY AND READINESS

Question. What changes, if any, would you make in the pre-positioning of expendables?

Answer. Access is needed in several key nations within our geographical area of responsibility to significantly increase the amount of POL, ammunition, and supplies/equipment. While our pre-positioning program has been partly successful, and our initiatives promising, some critical gaps remain in terms of location, quantity, and types of materiel stored. Current initiatives will improve the situation in terms of ———. However, access difficulties continue to prevent us from effectively supporting USCENTCOM OPLANS.

Question. What would be the impact on your mission of reducing troop strength as a means of lowering the Defense budget?

Answer. The current level of U.S. military forces is ———. By carefully allocating our current forces, these plans seek to minimize risk to U.S. interests by creating both a credible deterrent force to reduce the potential for hostilities occurring and a credible operational force to defend U.S. interest should deterrence fail. Reducing troop strength requires a shifting of forces in all plans and increases the risk that the deterrent effect will not be credible and that operational forces will not be able to accomplish the actions necessary to defend U.S. interests. Since USCENTCOM could be a secondary theatre in any global conflict, reduced force levels could ———.

AVAILABILITY OF AIRLIFT AND SEALIFT

Question. What are your current airlift and sealift requirements?

Answer. In our most challenging OPLAN we need to move ——— shiploads of unit equipment and dry cargo resupply. Airlift of forces and resupply require ——— aircraft loads. These estimates represent the optimal mix and maximum utilization of strategic lift. A summary of our resourced or constrained movement requirements follow. ———.

NATIONAL GUARD AND RESERVE FORCES

Question. The inception of the "Total Force" concept in 1974 increased our reliance on the Reserve Components. Today, with all the discussions on active troop reductions and/or troop withdrawal from certain areas, additional requirements will be added to the missions of the Reserve components. To what extent does CINCCENT depend on reserve personnel? On National Guard personnel?

Answer. Thirty-three percent of USCENTCOM apportioned forces are reserves. National Guard forces make up twelve percent, with fifty-five percent active component forces rounding out our total personnel force package.

Question. In your opinion, is there a requirement for additional support from the Reserve components?

Answer. Yes, with our Headquarters located 7000 miles from the AOR sufficient forces must be assigned to cover some of the shortfalls below.

Army.—A large percentage of the Combat Support/Service Support forces that are allocated to USCENTCOM come from the reserve components. Support of operations in our theater is complicated by difficult/challenging terrain, severe weather conditions, extended distances, and the austere/limited host nation infrastructure (communications, logistics, transportation, medical, and security). In selected functional areas, there are not sufficient forces available to meet requirements. These shortfalls include ———.

Air Force.—There is a requirement for additional reserve components to be mission ready in the desert environment. This is particularly true if a situation in a protected European war scenario requires a "deep scoopful" of reserve forces.

Navy. ———.

Question. With the increasing reliance on Reserve Component Forces in the "Total Force Concept," how well do the assigned RC units perform their mission?

Answer. All are capable of performing their assigned mission.

Army.—National Guard/Army Reserve combat forces at battalion-level and below are generally mission capable and meet standards established for RC unit readiness. RC combat support and service support units at battalion-level and below range from excellent (equal to or exceed AC units) to non-mission capable. Across the board, generally units above battalion level do not have the opportunities to plan and train together in a realisitic environment. Staffs are less well-trained and some require extensive train-up prior to reaching full operational effectiveness. Throughout the RC structure proficiency in rear area/security operations, NBC, and operating in a desert and/or in mountainous terrain requires additional emphasis.

Air Force.—All assigned units are capable of performing their missions.

Navy.—Currently all assigned units perform their missions well. In the areas of port security/harbor defense, it is necessary to have a dedicated Mobile Inshore Undersea Warfare (MIUW) to facilitate area familiarity for that dedicated unit. Already in progress are upgrades for the Communications equipment of the MIUW vans to bring the communications capability of these units to the level necessary of support operations.

LEASING OF FACILITIES

Question. What has been your experience with leasing of facilities and/or office space? Is it on the increase? What type of facilities are you leasing?

Answer. Leases provide vital support at minimum cost. Lease costs remain steady with some increase expected if current initiatives for additional warehousing and POL tankage prove successful. About 45 percent of the $16 million paid for existing leases is spent for the Navy's Administrative Support Unit, housing, and airfield/pier use in Bahrain. POL tankage and warehousing for pre-positioned materiel consume the remaining lease expenses.

Question. What percentage of your 1989 operation and maintenance budget is devoted to such leases?

Answer. The operation and maintenance budget for facility leasing is not allocated to the CINCs or by theater; the Services budget and manage these funds. The total devoted to leases in the USCENTCOM theater is very modest.

Question. Do these leases have a tendency to tie you into certain level of funding? When lease requirements are added to such things as civilian salaries, are you not left with no flexibility to take reductions to your budget?

Answer. The magnitude of lease expenditures is quite low. The initial term of leases never exceeds five years and is usually shorter with renewals generally on a year-to-year basis subject to appropriation. The small amount involved and favorable lease term give the Services ample flexibility.

[CLERK'S NOTE.—End of questions submitted for the record. The statement of General Schwarzkopf as referred to on page 287 follows:]

WITNESS STATEMENT

BEFORE THE

DEFENSE SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE

UNITED STATES CENTRAL COMMAND

GENERAL H. NORMAN SCHWARZKOPF
COMMANDER IN CHIEF
FEBRUARY 7, 1989

NOT FOR PUBLICATION UNTIL RELEASED
BY THE DEFENSE SUBCOMMITTEE OF THE
HOUSE APPROPRIATIONS COMMITTEE

BIOGRAPHICAL SKETCH

HEADQUARTERS UNITED STATES CENTRAL COMMAND

PUBLIC AFFAIRS OFFICE MACDILL AFB FL 33608 (813) 830-5894

GENERAL H. NORMAN SCHWARZKOPF

UNITED STATES ARMY

General H. Norman Schwarzkopf is the Commander in Chief, United States Central Command, MacDill Air Force Base, Florida.

General Schwarzkopf was born on August 22, 1934 in Trenton, New Jersey. He graduated from the United States Military Academy at West Point, New York in 1956 and was commissioned a second lieutenant in the Infantry. During his military career, General Schwarzkopf attended Basic and Advanced Infantry Officer Training at Fort Benning, Georgia, the Command and General Staff College at Fort Leavenworth, Kansas, and the Army War College at Carlisle Barracks, Pennsylvania. He also attended the University of Southern California where he was awarded a Masters Degree in Guided Missile Engineering.

During his years of service, he commanded Army units from platoon through corps level. He served two combat tours in the Republic of Vietnam -- the first as Task Force Advisor, Vietnamese Airborne Division and the second as Battalion Commander of the 1st Battalion, 6th Infantry, 23rd Infantry Division (AMERICAL). General Schwarzkopf commanded two infantry brigades, the 172d Light Infantry Brigade in Alaska and the 1st Brigade, 9th Infantry Division, Fort Lewis, Washington. He served as the Assistant Division Commander, 8th Infantry Division (Mechanized), United States Army Europe, and as Commander of the 24th Infantry Division (Mechanized) and Fort Stewart, Georgia. It was during this assignment that he was designated the Deputy Commander of the Joint Task Force in charge of U.S. Forces participating in the Grenada rescue operation. He subsequently commanded I Corps and Fort Lewis, Washington.

In addition to his numerous command assignments, General Schwarzkopf served as the Deputy Director for Military Plans and Policy at the United States Pacific Command, Camp Smith, Hawaii;

(Current as of Nov 88)

as the Director of Military Personnel Management and Assistant Deputy Chief of Staff for Personnel, Headquarters, Department of the Army; and as Assistant Deputy Chief of Staff for Operations and Plans, Headquarters, Department of the Army.

Most recently, General Schwarzkopf served as Army Operations Deputy, Joint Chiefs of Staff/Deputy Chief of Staff for Operations and Plans, Headquarters, Department of the Army.

General Schwarzkopf's numerous awards and decorations include the Distinguished Service Medal, Defense Superior Service Medal, three Silver Stars, Legion of Merit, Distinguished Flying Cross, three Bronze Stars with "V" device, two Purple Hearts, Combat Infantryman Badge and the Master Parachutist Badge.

General Schwarzkopf is married to the former Brenda Holsinger. The Schwarzkopfs have three children, Cynthia, Jessica, and Christian.

TABLE OF CONTENTS

PAGE

EXECUTIVE SUMMARY.. 1

STRATEGIC IMPORTANCE OF THE AREA OF RESPONSIBILITY............ 7

REGIONAL UPDATE.. 10

- INDIA-PAKISTAN-AFGHANISTAN SUB-REGION........................ 11
  - PAKISTAN.. 12
  - AFGHANISTAN.. 12
- IRAN-IRAQ SUB-REGION.. 13
  - IRAN.. 13
  - IRAQ.. 14
- ARABIAN/PERSIAN GULF.. 15
- KUWAIT.. 15
- BAHRAIN.. 16
- QATAR.. 16
- UNITED ARAB EMIRATES.. 17
- OMAN.. 17
- SAUDI ARABIA.. 18
- JORDAN.. 19
- PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN........................ 19
- YEMEN ARAB REPUBLIC.. 20
- SOMALIA.. 20
- ETHIOPIA.. 21
- DJIBOUTI.. 22
- KENYA.. 22
- SUDAN.. 23
- EGYPT.. 24
- LIBYA.. 24

THREAT.. 26

- OUTRIGHT SOVIET INVASION.. 26
- INCREASING SOVIET INFLUENCE.. 26
- TERRORIST THREAT.. 29

NATIONAL AND REGIONAL OBJECTIVES.. 31

THEATER STRATEGY.. 33

- PEACETIME.. 33
- WARTIME.. 34

TABLE OF CONTENTS

PAGE

RESOURCES.. 36

  SECURITY ASSISTANCE.. 36
  EXERCISE SUPPORT... 41
  READINESS.. 43
  LIFT... 43
  MILCON... 47
  PRE-POSITIONING.. 47
  SUSTAINABILITY... 48
  COMMAND AND CONTROL.. 50
  INTELLIGENCE... 51

SUMMATION.. 53

STATEMENT OF

GENERAL H. NORMAN SCHWARZKOPF

COMMANDER IN CHIEF, UNITED STATES CENTRAL COMMAND

TO THE DEFENSE SUBCOMMITTEE OF THE

HOUSE APPROPRIATIONS COMMITTEE

7 FEBRUARY 1989

Mr Chairman, members of the Defense Subcommittee. I appreciate the opportunity to appear before you today to testify for the first time as Commander in Chief, United States Central Command.

EXECUTIVE SUMMARY

In the short time I have commanded the United States Central Command, these facts have become clear to me:

-- The region for which I am responsible is vital to our nation's security.

-- The Soviet threat to the region is increasing, and the Soviets are making gains at our expense.

-- U.S. political and military actions in the region over the last year and a half have restored our regional friends' confidence in our commitment to their security.

- -- This revival of our friends' confidence in us offers an opportunity to neutralize and eventually reverse Soviet gains in the region.

- -- Our challenge is to capitalize on this opportunity by showing our friends in the region that our commitment is durable and serious.

- -- The time to do this is now.

The United States Central Command's Area of Responsibility (AOR) resounds with the echoes of the earliest endeavors of mankind. Recorded history began in this region, with the civilizations of Mesopotamia and the Nile and Indus valleys. Across the centuries, the area has been a crossroads for trade, a target of conquest, and a locus of conflict. Judaism, Christianity, and Islam have their roots here.

Today, the region is vital to United States security. The economies of the United States and its allies depend on Persian Gulf oil. By the year 2000, United States domestic oil production is projected to decline by as much as 20 per cent, increasing our dependence on the region's petroleum resources.

The area also sits astride the major maritime trade routes which link the Middle East, Europe, South and East Asia, and the Western Hemisphere. Ships plying these routes, and transiting the maritime choke points of the Strait of Hormuz, the Suez Canal, and the Bab el Mandeb at the southern end of the Red Sea, carry the petroleum products that propel the economies of our European and Asian allies, and the myriad other commodities that fuel world trade.

For the past decade and more, the United States has had to respond to disruptive events in this region, events which were often beyond our control, but which nonetheless proved critical to our vital interests. We remember the fall of the Shah, the Tehran hostage ordeal, the Soviet invasion of Afghanistan, the assassination of Anwar Sadat, the turmoil of the war on gulf shipping, the accidental attack on the USS Stark. These events took place in a context of regional instability, marked by religious dissension, territorial disputes, insurrections, and adventurism by Libya and other radical states. This environment of turmoil has provided fertile ground for the expansion of Soviet influence.

The Soviets, like the Russian czars before them, have a keen interest in this area. They are attracted by the region's oil and by the warm water ports of the Persian Gulf and the Indian Ocean. The Soviet threat to the region exists on two levels. Although a direct Soviet attack into the area is unlikely, the Soviets continue to maintain and modernize combat-ready forces in the southern USSR opposite Iran. Much more worrisome is the Soviet penchant for exploiting regional conflict, as they have already done in Afghanistan and Ethiopia, and for exploiting our friends' doubts about the United States commitment to them. The Soviets are steadily increasing their presence and gaining influence in the region by providing any willing recipient state with not only political support, but also arms, equipment, military training and technical advice. In far too many instances, the United States has proved a reluctant suitor in responding to needs and requests of our friends in the region; and in far too many instances, the Soviets were on the spot, ready to step forward in our place.

It is to this latter threat that we must respond if we are to maintain our position in the region.

We have made a good start on that effort. Operation EARNEST WILL -- our naval escort of United States-flagged merchant ships in the Gulf -- showed that United States military presence can promote stability. But more importantly, our actions in the Gulf, including our measured responses to Iranian provocations, showed our friends in the region that the United States sticks to its commitments, and is ready and able to wield military might to underscore those commitments. Our steadfastness destroyed the contention of skeptics in the region and elsewhere that we would cut and run at the first sign of danger.

We must press this advantage if we are not to squander the benefit earned by EARNEST WILL. We must maintain a naval presence in the region, at a level consistent with the threat. We must maintain communication with military and political leaders in the region. We must take their security concerns seriously, and consider them on their own merits, in an even-handed manner and without prejudice. We must be ready to respond positively to legitimate requests for arms sales, security assistance, joint exercise training, and humanitarian and civic assistance. If we fail to respond, there are, as I have noted, others who will step into our place. At present, our stock is high. Now is the time to capitalize on our success.

We can do this only if we have adequate resources. Although we do not seek, nor indeed do we foresee, a major military confrontation in the region, we must nonetheless be prepared to fight if necessary. This means keeping forces apportioned to United States Central Command in a high state of readiness, and providing them, through the Services, with sufficient capacity for air and sealift to the region in a crisis. Once the forces are in the field, we must be able to sustain them through reliable resupply. This in turn depends on current construction of military storage facilities and pre-positioning of equipment and supplies in the region. Finally, the success of any crisis deployment hinges on the existence of a reliable command and control system, and of a flexible, reliable system for gathering, analyzing and disseminating strategic and tactical intelligence.

Our peacetime resource requirements are just as critical to our goal of reinforcing our regional friends' confidence in us. To avoid sending the wrong signal, we must maintain a prudent naval presence in the region. We must continue our program of joint military exercises in the region. And we must be willing to fund security assistance for our friends, not only to maintain their confidence in us, but also to maintain access to facilities that could prove crucial in times of crisis.

Over the course of the last year and a half of Persian Gulf operations, Central Command has matured into a truly unified joint-service command, ready to respond in a crisis, and capable of providing to the National Command Authority a wide array of military options for the achievement of political goals. The key to joint-service success is service interoperability, and this quality cannot better be demonstrated than by the superb performance of the Joint Task Force Middle East. The JTFME Commander orchestrated operations escorting, to date, over 270 tankers in Operation EARNEST WILL which involved Navy surface combatants, Air Force AWACS and other aircraft, carrier air forces, and Mobile Sea Bases carrying helicopters and personnel from the Navy, the Army, and the Marines.

The effectiveness of joint-service operations was clearly shown during Operation PRAYING MANTIS on 18 April 1988, when in a measured response to Iranian provocations, Central Command forces destroyed two Iranian oil platforms and sank or disabled four Iranian surface combatants. The operation was the largest United States' naval engagement since World War II, and was conducted with great professionalism.

The superb performance of Central Command forces is a direct result of Congressional support. Central Command is aware of current fiscal realities. At the same time, I believe that the resources we are requesting are both adequate and necessary for the Command to accomplish its mission.

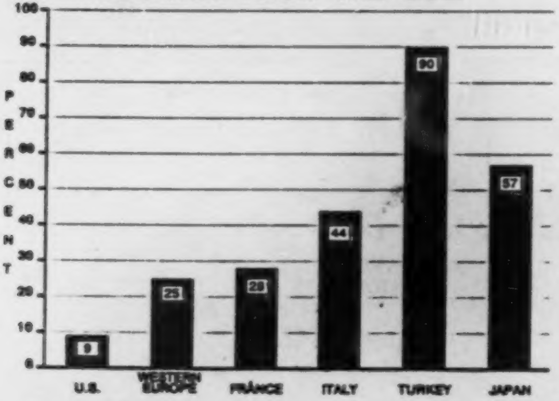
The experiences of 1988 have verified our capability and resolve. I assure you that the United States Central Command is ready to deal with any threat to U.S. interests in the region. We need your continued support if we are to be able to do so.

STRATEGIC IMPORTANCE OF THE AREA OF RESPONSIBILITY

The Central Command's Area of Responsibility includes 19 countries of diverse political, economic, cultural and geographic make-up. Europe, Asia and Africa join here to form a unique and complex region in which history is key to understanding its nature and importance. As a continental crossroads, the area has been traversed and fought over by armies of the world for centuries. Three of the world's major religions have their roots here; Christianity, Judaism and Islam. Through the centuries, Islam has emerged as the main unifying cultural, if not political, force in the region. Seeds sown in centuries past have given rise to the regional and internal conflicts of the present: the Iran-Iraq war, the enmity between the Yemens, the Ethiopian-Somali disputes, the civil insurrections in Ethiopia and Sudan, and the border disputes of the Arabian peninsula. With this continental and cultural diversity, the region's history is also filled with tribal, regional, and national conflicts. Today, this blend of cultures and ideologies continues to make the region volatile and unpredictable. For example, two years ago few would have predicted a United States and PLO dialogue or the election of a woman to head an Islamic government.

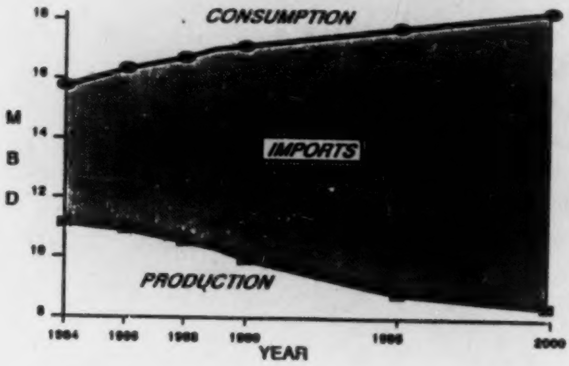
In the center of this region are over 70% of the free world's oil reserves - oil which fuels the West's industries and economies. During 1988 alone, over 12 million barrels of Gulf oil were exported daily; either directly from the Persian Gulf or through the expanding trans-Arabian pipeline to Yanbu on the Red Sea. Many of America's European and Asian allies rely on Gulf oil to satisfy a significant portion of their national requirements. Total United States imports from all world sources now account for roughly 40% of total consumption, up 5% from last year, and one of every five barrels of this imported oil comes from the Gulf region. At the same time, United States reliance on Gulf oil appears destined to grow. Estimates indicate that our domestic production capability could decline as much as 20% by the end of the century, causing an even greater reliance on this region's oil reserves.

PERCENT OF NATIONAL REQUIREMENTS
IMPORTED FROM THE GULF



Other estimates indicate U.S. domestic supplies of oil could be depleted within the next 20 to 40 years while the Persian Gulf region will still have at least 100 years of known oil reserves, with many promising oil producing areas remaining unexplored.

U.S. OIL CONSUMPTION VS PRODUCTION
IMPACT OF IMPORTS

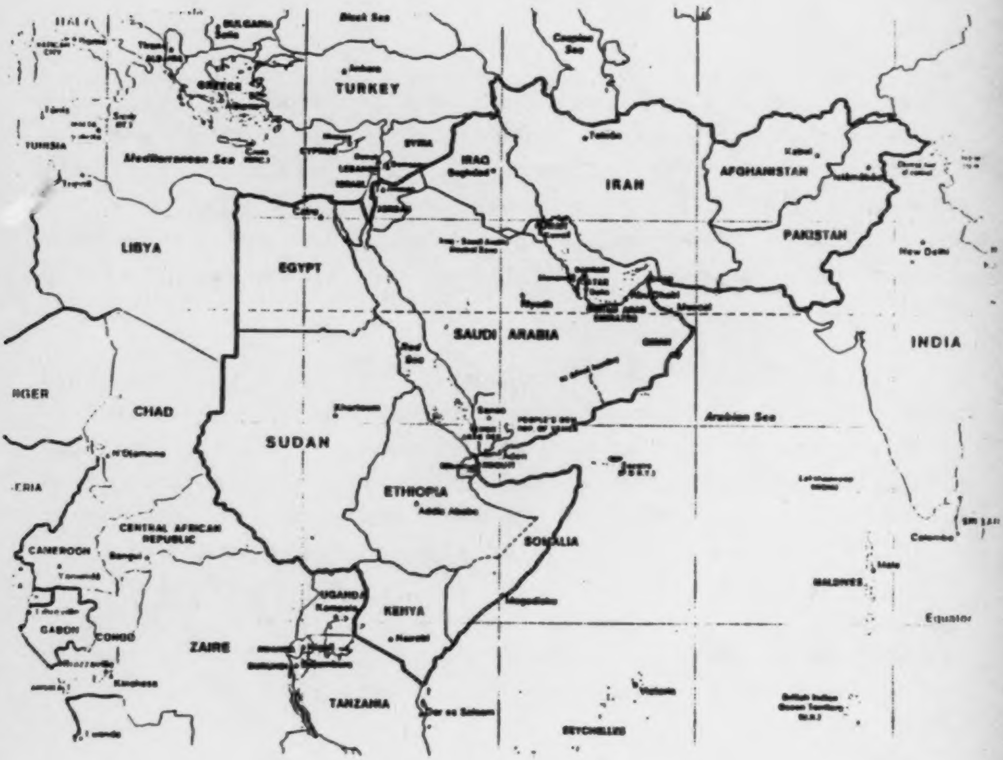


Beyond the oil itself, the region contains the strategic waterways which facilitate the flow of world commerce vital to the survival of many nations. The Strait of Hormuz provides the only maritime access to Gulf oil fields and associated transshipment facilities. The Red Sea, with the Suez Canal at the north and the Bab el Mandeb in the south, is one of the most vital strategic sea lines of communication in the world. It forms the vital water link between our European and Pacific friends and allies. The Suez Canal alone handles over 21,000 vessels annually, 33% more than the Panama Canal. For its part, the Bab el Mandeb is no less vital as a strategic chokepoint than the Suez Canal: If canal traffic were for any reason obstructed, all oil shipments from the Saudi Red Sea terminal at Yanbu, capable of handling a total of 60% of Saudi and 40% of Iraqi exports by the mid-1990's, could reach their worldwide destinations only after moving through the Bab. In time of peace, the waterways are important. In time of conflict, they are critical as they provide the strategic lifeline essential to the timely deployment and sustainment of free world forces. The only alternative to the Suez and Bab el Mandeb line of communication is to transit the southern tip of the African continent, increasing deployment and logistic flow time by almost 30%. Protection of these choke points depends upon United States friendship and cooperation with the countries in the region and access to nearby ports and airfields.

While the importance of the region is vital to the interests of its inhabitants, the United States and other free world nations, it is also of strategic importance to the Soviet Union. The Soviets have long coveted the warm water ports and vast petroleum resources in the area. Additionally, in the near future the Soviet Union is expected to become a net importer of oil. A more detailed assessment of the Soviet threat and current activities follows later in this statement.

REGIONAL UPDATE

As the events of the past year have proven, the Central Command Area of Responsibility is a highly volatile, unpredictable, and rapidly changing Region. For reference, a map of the region is provided.


Black Sea
TURKEY
GREECE
TUNISIA
Mediterranean Sea
CYPRUS
SYRIA
IRAQ
Baghdad
Caspian Sea
IRAN
AFGHANISTAN
PAKISTAN
New Delhi
INDIA
LIBYA
EGYPT
SAUDI ARABIA
Red Sea
Arabian Sea
CHAD
SUDAN
ETHIOPIA
Addis Ababa
SOMALIA
KENYA
Nairobi
UGANDA
ZAIRE
CONGO
GABON
CAMEROON
CENTRAL AFRICAN REPUBLIC
TANZANIA
SEYCHELLES
MALDIVES
Colombo
Equator

India-Pakistan-Afghanistan Sub-region

The Indo-Pakistan relationship has been marked by dispute and conflict from the moment of Partition in 1947. Both nations now enjoy a new generation of democratically elected leadership. The leaders have just signed three agreements. Many hope that this signals the beginning of an era of improvement in relations, but it would be unrealistic to expect an immediate shift of position by either side. Yet, it is critical to United States interests that these neighbor states live in peace and cooperation with one another.

Though not in Central Command's Area of Responsibility, India is perhaps the preeminent South Asian nation. New Delhi is already among the most influential of the third world capitals. Although India has close military and economic ties with the Soviet Union, it is beginning to build the basis for more cooperative relations with the United States, especially in the field of technology transfer.

The Pakistanis remain concerned over the motives and intentions of their Indian neighbors and focus a great deal of defense preparedness in this direction. Nonetheless, the Pakistanis resisted the Soviet invasion of Afghanistan even before the United States became involved. After Soviet withdrawal, the resettlement of an Afghan refugee population of 3 million people concentrated in Pakistan and along its border with Afghanistan will remain a major concern. Even with this burden Pakistan has supported the Afghan Mujahedin's efforts throughout the war and can be expected to have close relations with a new Afghan government.

Pakistan

Pakistan is a key partner with the United States and also enjoys good relations with other Islamic states in the area. It may begin to play a more significant role in encouraging regional stability. Its forces are large and among the best-trained in the area. A top priority for their military is to upgrade inadequate and obsolete equipment.

Our own strong relationship with Pakistan has been fostered by our substantial military and economic assistance program, the second largest in the Area of Responsibility, and by the sale of weapons systems to satisfy defense requirements. Military to military cooperation and consultation between Pakistan and the United States has been enhanced through the United States/Pakistan Consultative Group Meetings in which United States Central Command is a principal participant. Assistance to Pakistan supports our goal of improving Indo-Pakistan relations, encouraging Pakistan's efforts to suppress narcotics activities, and promoting Pakistan's conventional self-defense capabilities.

Afghanistan

As Soviet military forces withdraw, they leave behind an Afghan economy that is severely damaged and a regime that is facing increasingly effective opposition from the Mujahedin. It is clearly in the United States interest to have stability in the region and encourage the return of the large refugee population now living across the borders in Pakistan and Iran. We are already working toward these goals by assisting the UN with training of Afghan refugees to detect and dispose of the millions of mines which the Soviets are leaving behind. Both bilateral and multilateral participation by the United States in rebuilding the economy will also help achieve stability.

Iran-Iraq Sub-region

The United Nations-sponsored Iran-Iraq cease-fire is still holding, but this "no war, no peace" stalemate continues to perpetuate regional concerns. While it may appear that peace is truly at hand, this end of the fighting does not guarantee stability in the Gulf Region. Efforts on both sides to rearm with conventional weaponry, long range missiles, and new stockpiles of chemical weapons are an unwelcome omen. The end of the fighting left Iraq as a premier regional military power. Projected Iraqi procurement of large quantities of state of the art weaponry into the next century will further increase its military advantage over Iran as well as other states in the region. The Iran-Iraq war also set dangerous precedents in the region by the widespread use of medium range missiles and chemical weapons. The prospects for the return to normalcy are better this year than at anytime in the past eight. However, the Iran-Iraq situation still threatens to destabilize the region into the 1990s. The United States must maintain a balanced approach toward Iran and Iraq to encourage peace in the Region.

Iran

Iran continues to be a key concern in the Region, due to its location as a buffer to the Soviet Union, its oil wealth, and its large population. In the aftermath of its war with Iraq, Iran still poses a major threat to the Gulf Cooperation Council states. Iran will attempt to rebuild its military and economy to balance what it perceives to be the primary threat - Iraqi supremacy in the Gulf area. The threat of another war with Iraq is always a possibility.

Iran's rift with the West and the end of the conflict have created opportunities for growing military assistance by Asian Communist states, and may allow an increasing Soviet role in the Iranian economy. Although Iran will remain fearful of foreign domination, the USSR is in a good position to improve relations and increase influence on Iran. There are signs that their relations are already improving.

The country's future directions are clouded by an intensifying leadership struggle to succeed Khomeini. A "pragmatist" faction seems to have the best chance of ruling after Khomeini, but some authority will remain in the hands of powerful radicals opposed to rapprochement with the West. However, Iran's inherent importance and its need to offset Soviet power on its northern border may eventually lead to the restoration of United States-Iran relations, but perhaps not until well after Khomeini is gone. For the next several years, the United States should patiently exert a moderating and counterbalancing influence to Soviet expansionism in Iran. Additionally, the United States must assist friendly states to counter Iranian influence in the region.

Iraq

Iraq poses a potential military threat to the weaker and more conservative Gulf Cooperation Council states, despite their extensive support for Iraq against Iran. Iraq's persistent claims to strategic portions of northeastern Kuwait could be a problem in the future. Iraq is expected to continue arms imports at the rate of one billion dollars per year from the Soviet Union while increasing military procurements from West European and third world sources. Developing indigenous arms industries will play a significant role in the 1990's, particularly in developing weapons of mass destruction and the medium-range ballistic missiles to deliver them.

Despite its present external debt of nearly $80 billion, Iraq's aspirations to great power status are supported by its vast oil reserves. By the early 1990's, Iraq could be second only to Saudi Arabia in terms of proven oil reserves (over 100 billion barrels), and oil export capacity (about four million barrels per day). As is the case with Iran, the United States must seek to assert a moderating influence in Iraq.

Arabian/Persian Gulf

The reduction of threats against United States interests in the Persian Gulf allows us to modify force levels in the region. However, it is important that we avoid a precipitous drawdown of United States military forces that would send the wrong signal as regards the United States commitment to sustaining peace in the region. The key to drawing down forces is close coordination between the Department of State, Department of Defense, and the Congress, as well as our traditional allies and regional friends. The United States must not lessen interest in the region nor permit that perception to develop. We have earned immense respect and received much cooperation from the Gulf Cooperation Council (GCC) States. Their support during our protection mission was and remains essential to success. Each state has made discreet and valuable contributions. For the future, we are encouraged that moderate nations of the Gulf Cooperation Council will continue to act as a stabilizing influence as they work together towards improving regional defensive capabilities.

Kuwait

Kuwait is well known for its role in the world's petroleum market. Its substantial financial assets give it a world-wide importance that far exceeds its size. However, it is militarily and geographically vulnerable and the uncertainty of a lasting Iran-Iraq cease-fire will continue to threaten Kuwait's security. As a direct result of the United States reflagging of Kuwaiti ships and the Persian Gulf escort operations, we enjoy increased military-to-military cooperation. Central Command strongly endorses continued United States security assistance to promote Kuwait's ability to defend itself, participate in regional defense arrangements with other Gulf Cooperation Council states, and maintain previously delivered United States military equipment.

Bahrain

Bahrain is a long-term friend of the United States and shares United States goals for regional peace and stability. Bahrain is an important contributor to Gulf Cooperation Council regional defense. Its continued friendship and cooperation with the United States has been well evidenced by its crucial assistance to our Joint Task Force Middle East (JTFME). The leased facilities we have in Bahrain are critical to maintaining operations throughout the Gulf. Purchases of United States military equipment by Bahrain help it accomplish its regional defense responsibility. Our security assistance program is an important factor in Bahrain's ability to continue to assist in regional defense efforts. In this regard, elimination of the Stinger buy-back provision would be among the most significant steps we could take to bolster this process and reaffirm our close ties with this trusted partner.

Qatar

Qatar is an important oil and natural gas producer in the region. Its continued security is a significant concern to the other oil-exporting states and the west. Its location at the center of the Persian Gulf region is important to the free passage of petroleum resources. Seeking to improve its capabilities as a Gulf Cooperation Council member, Qatar is endeavoring to develop a modest military deterrent by purchasing state-of-the-art defensive weapons systems from France and Italy. The current Stinger controversy has interrupted United States-Qatar bilateral relations and the training of Qatar's military. Once this issue is resolved, we look forward to resuming our previous military assistance relationship to help Qatar achieve improved self-defense capabilities.

United Arab Emirates (UAE)

The UAE's strategic location bordering the Strait of Hormuz, its oil wealth, its generous foreign assistance program, as well as its efforts to mediate in regional conflicts, give it more influence than the size of the federation would suggest. One of its security challenges is to defend the long UAE coastline and numerous islands. Following Iranian ship attacks adjacent to the UAE and Tehran's August 1987 mining of the waters off Khor Fakkan, the UAE supported increased western presence aimed at enhancing freedom of navigation and safe passage through international waters. United States security assistance sales are designed to improve air defense and early warning capabilities to counter threats to UAE security.

Oman

Oman's strategic location commanding the southern flank of the Strait of Hormuz makes it vital to regional stability and to the flow of oil resources from the Persian Gulf. Oman has proven to be a staunch friend of the United States. The Sultan of Oman was the only Arab leader to publicly support the Camp David Accords, and Oman was quietly supportive of our activities in the

Persian Gulf during the Iran-Iraq war. Oman is an important factor in United States Central Command's strategy in the area. However, recent budget shortfalls resulting from declining oil revenues have caused Oman to cut back on expenditures and force modernization. Central Command's ability to respond to contingencies in the area depends on continued cooperation between the United States and Oman.

Saudi Arabia

The largest Gulf Cooperation Council member is Saudi Arabia. Its preeminence within the Arab world in terms of its resources, geostrategic location, moderate western oriented leadership, and religious and political influence among Arab states, makes it a key to stability on the Arabian Peninsula. Saudi Arabia extends significant financial assistance to moderate governments, even in the wake of depressed oil revenues, and engages in diplomatic efforts to resolve regional conflicts. As a result of its holding the world's largest known oil reserves, Saudi Arabia is a prominent player in the international economic structure and a focal point of United States cooperative interests in the region. Its cooperation was indispensable to the enormous success of the measured United States actions in the Persian Gulf. However, continued unwillingness to approve Saudi arm sales requests is having lasting consequences. The traditional position the United States military enjoys with Saudi Arabia is beginning to be assumed by others. The United Kingdom will soon replace the United States as the primary aircraft supplier. As a result, the United States has lost tens of billions of dollars in exports as well as associated domestic jobs. United States military influence over the amount, type, and use of weaponry in the region is further reduced. Ultimately, if United States support of Saudi Arabia continues to diminish, the entire region will question the United States commitment and its reliability as a dependable security partner.

Jordan

The United States has long enjoyed a dependable and cooperative friendship with Jordan, one of the most moderating influences in the Middle East. Jordan's unwavering pursuit of negotiated peace makes it an indispensable component of regional stability. Jordan can assist in defusing intra-Arab frictions and play a prominent role in searching for solutions to the Arab-Israeli confrontation and the Palestinian issue. At the same time, Jordan clearly demonstrates its willingness to buttress regional security by providing training to moderate Arab nations and exercising with United States forces. Confronted with an austere economic future, Jordan finds satisfaction of its security needs increasingly difficult. Traditionally, Jordan has turned to the West, and especially to the United States, as its prime military supplier. In spite of the enhanced military-to-military relationship stemming from the annual United States-Jordanian Joint Military Commission meetings, the United States is losing crucial opportunities to sustain and bolster this invaluable relationship. As security assistance levels are allowed to decline, and arms sales requests are denied, Jordan will undoubtedly be forced to turn to other sources for its defensive military requirements.

People's Democratic Republic of Yemen (PDRY)

Marxist PDRY occupies a strategic location on the Arabian Peninsula at the Bab el Mandeb. Firmly in the Soviet camp, its current ideology, defense arrangements and military capabilities pose a potential threat to Saudi Arabia, Oman, and Yemen Arab Republic. The large Soviet and Cuban in-country presence makes PDRY, in effect, a site for Soviet forward deployment in this strategic area. From this position, the Soviets can quickly posture forces to control or close the vital Bab el Mandeb. The United States does not have diplomatic relations with PDRY at present. The United States should encourage low-key efforts by friendly states aimed at encouraging more normalized relations between PDRY and its neighbors.

Yemen Arab Republic (YAR)

The Yemen Arab Republic (YAR) is a strategically important country that lies at the southern exit of the Red Sea and adjacent to the Marxist People's Democratic Republic of Yemen (PDRY). YAR is now exporting increasing quantities of its newly-discovered oil, thus improving its economic standing. The Soviet Union has established a significant presence in the YAR through its liberal credit terms, sale of military equipment, and generous training programs. The current modest United States security assistance levels cannot challenge the Soviet position, and the funding to support even the existing programs is threatened. Despite this, YAR leadership continues to express a desire to further improve relations with the United States. Increased security assistance is necessary to provide the means to offset Soviet pressures and could help the YAR Government to seek alternatives to reliance on the Soviet Union.

Somalia

Somalia and Djibouti are the only non-Soviet influenced states on the littoral of the approaches to the strategic Bab el Mandeb - back door to the Suez Canal and choke point for oil moving from the Saudi Red Sea port of Yanbu. Access to facilities in Somalia remains a pivotal factor in Central Command regional strategy and planning; its importance is heightened by the growing Soviet regional military capability. Ethiopia's better equipped and numerically superior armed forces remain a potential threat to Somalia. During these difficult times, the United States continues to encourage the Somali government to seek a political settlement to its ongoing civil conflict, to respond effectively to human rights concerns, and to implement needed economic reforms. Somalia's strategic location and importance to United States security interests require it to be given immediate attention. It is essential that we continue to support Somalia in order to ensure its territorial integrity and continued United States access to critical facilities there.

Ethiopia

Ethiopia, strategically located on the southern reaches of the Red Sea and overwatching the Bab el Mandeb, enjoyed a strong relationship with the United States prior to the 1974 military coup. In a twist of events, the Soviet Union supplanted the United States as the main military assistance partner to Ethiopia. Massive Soviet military aid coupled with several thousand Cuban troops and Soviet advisors enabled Ethiopia to repel the Somali invasion of 1977. Since then, internal civil conflicts with Eritrean separatists in the north and Tigrean rebels in the north-central part of the country have escalated. Despite some 6 billion dollars in Soviet aid and the largest army in sub-Saharan Africa, the government has been unable to defeat the insurgents. The war has ravaged an economy already devastated by drought and the usual failures associated with Marxist economic practices. There are indications, however, that Ethiopia is tempering its views on relations with the Soviets, solutions to internal problems, and relations with the United States. Should the Ethiopians offer openings that could defuse regional tensions and which are acceptable to the United States Government, Central Command is ready to play the appropriate role in helping to rebuild a bilateral relationship.

Djibouti

Though small in geographic size, Djibouti is an important country in the Horn of Africa. Its strategic location at the Bab el Mandeb, its pro-western orientation and support, its continuing cooperation with United States naval forces, and the presence there of French warships and aircraft have made it a valued friend. This friendship and cooperation was greatly in evidence during our recent Persian Gulf operations as Djibouti allowed increased ship visits. Currently, the government is facing the dual problems of an ailing economy and the difficulties imposed by its location wedged between two powerful neighbors. Increased levels of United States security assistance to this friendly country are clearly in our interest.

Kenya

Kenya is a key friend of the United States and plays an important role in our security strategy in the Horn of Africa. The United States has maintained a long, close relationship with Kenya, manifested by important economic ties and military agreements. Kenya grants United States military access to airfields, ports and storage facilities, as well as provides fuel, repair and resupply services to United States ships and aircraft. Mombasa serves as the only major port of call for the United States Navy on the east coast of Africa. In the midst of a growing economic crisis, faced with a burgeoning population and a concomitant reduction in revenues, Kenya is finding it increasingly difficult to make payments to international creditors. Although facing no major external threat, Kenya continues to contend with incidents originating from cross-border migrations and bandits. It places great importance on United States security assistance. The continuation of security assistance funding will help maintain the close relationship with this good friend.

Sudan

The largest country in Africa, and bordering eight countries and the Red Sea, Sudan has the potential to control the headwaters of the Nile, thus affecting the economic lifeblood of Egypt. Politically, a pro-Egypt/pro-West, or even a neutral Sudan acts as a buffer between the pro-Soviet countries of Libya and Ethiopia, thereby preventing the isolation of Egypt from the rest of Africa by a crescent of hostile states on its western and southern flanks. However, since independence in 1956, Sudan has been beset by periodic civil strife and bouts of political and economic instability. A seventeen year civil war between the Arab north and African south was settled in 1972, only to break out anew in 1983. The current democratically elected government is a troubled coalition that has been unable to prevent the country's slide into virtual economic bankruptcy or to end the debilitating civil war in the south. A settlement to the war does not seem close, and widespread famine and suffering induced by the war and exacerbated by drought and floods have devastated the population. Unfortunately, massive infusions of United States and other Western relief aid have not been able to turn the corner on this situation. The enormous drain of the war on the economy and internal government problems have generated a potentially explosive political situation. On the positive side, however, has been the strong relationship Central Command has enjoyed with the Sudanese military. Although our security assistance, in terms of dollars, has shrunk to nothing, we have managed to maintain this relationship through extraordinary effort. We are fully aware of the political sensitivity of increasing military assistance to Sudan at this juncture, but we must balance these concerns with the need to assist our friends in Sudan in order to enable them to support the mutual quest for peace and regional stability.

Egypt

Egypt's commitment to peace and stability in the Middle East continues to make this strategically located nation one of America's most important regional partners for peace. Egypt is the owner, operator and protector of the critical Suez Canal passageway and also presents a credible deterrent to further Libyan adventurism. Cairo has historically been one of the key centers of influence in the Arab world, and Egypt's diplomatic reemergence assures that it will remain a powerful voice for peace in the region.

Nonetheless, Egypt faces challenges across a broad front. Population expansion, the need for stringent economic reforms and the ever present threat from Libya and other radical Arab terrorists mean Egypt is looking more and more to the United States for help. Our security assistance efforts are a vital component of this relationship, as are the annual United States/Egypt Military Coordinating Committee meetings. Egypt tries very hard to support United States interests in the Middle East. Often, however, they display a solidarity with other Arab states in criticizing United States direct action. Unfortunately, this fosters among some the belief that Egypt is a fickle ally, when, in fact, it remains a most important partner with the United States in promoting regional peace and stability.

Libya

Although Libya is not within Central Command's Area of Responsibility, Libya and its activities in northeast Africa have a direct bearing on our friends in this crucial region. Libyan aggression in Chad has spilled over into Sudan, creating conditions for political unrest in western Sudan. Libyan attempts to influence the Khartoum government are viewed by both the United States and Egyptian governments as attempts to destabilize Sudan and bring it into Libya's orbit. In addition, Libya constitutes a direct terrorist and military threat to Egypt; a threat the Egyptians take seriously. Libya's possession of modern offensive weaponry, including the emerging capability to manufacture chemical weapons, and Qadhafi's unpredictable and frequently erratic behavior, give credence to Egyptian concerns. Our assistance efforts in Egypt and our positive contacts with the Sudanese military serve to bolster the capabilities of these two countries to resist and counter Libyan regional destabilization activities.

THREAT

The Soviet threat to the region exists on two levels. First, outright Soviet invasion of the region is unlikely but possible. Second and more worrisome are the Soviets' recent successes in cultivating influence not only with their client states, but also with states which the United States considers its friends.

Outright Soviet Invasion

Soviet force levels in the three southern Soviet military districts opposite the Central Command Area of Responsibility are sufficient to mount an invasion of Iran. Weapons, equipment, and command-and-control systems in these districts are gradually being upgraded. Tactical air assets have been expanded and modernized. More significantly, their composition reflects a change of mission from air defense to forward tactical air support of ground commanders. Many units in these military districts have commanders and troops with combat experience in Afghanistan. Taken together, these factors indicate that a Soviet attack southward into the Central Command Area of Responsibility, while unlikely for a variety of reasons, remains militarily feasible.

Increasing Soviet Influence

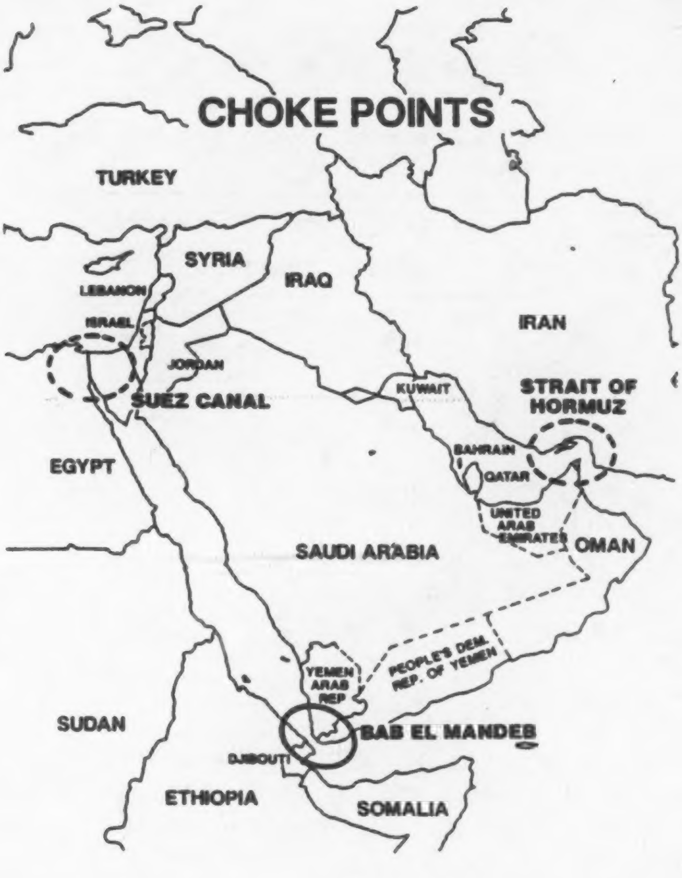
A more insidious Soviet threat exists on another level. In recent years, the Soviets have increased their influence in the region, in both their own client states and in states otherwise not identified as Soviet-aligned, by means of subtle diplomacy, a low-key naval presence in regional waters, and a massive and effective program of military sales and assistance.

The Soviet decision to pull out of Afghanistan has removed an obstacle to Soviet relations with the Muslim world, and with the Arabs in particular. Despite a residual reluctance to deal with atheistic communists, even conservative states such as Oman, UAE, and Qatar have recently established diplomatic relations with Moscow. Saudi Arabia and Bahrain are still holdouts, but have given indications that this may change soon. Through patient, persistent diplomacy, the Soviets have engineered incremental improvements in relations with regional states. They have opened more consulates, increased trade, and gained agreement for more aircraft and ship visits to regional states.

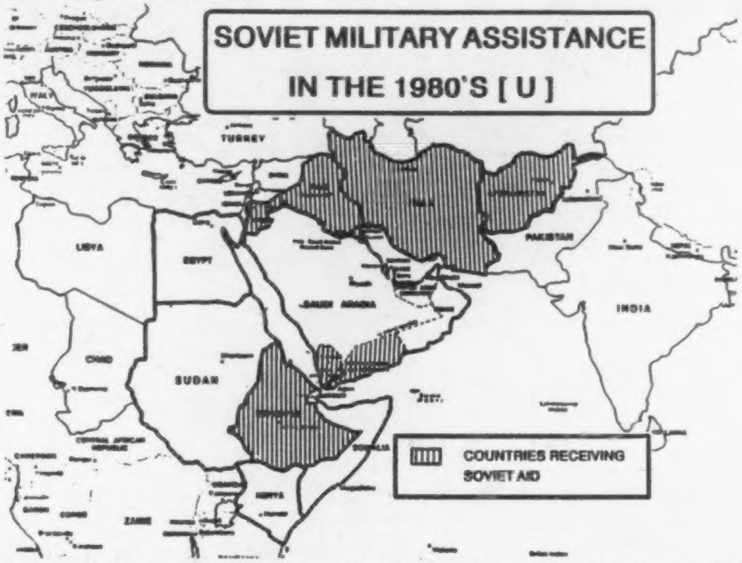
The Soviet naval presence in the Persian Gulf and the Gulf of Oman has not decreased since the Gulf War cease-fire. Soviet naval assets include 6 to 8 combatants, among them 3 to 4 minesweepers; the flag ship of the Soviet Indian Ocean Squadron; a mobile logistics base in the Gulf of Oman. Their escort of Soviet-flagged, Kuwaiti-leased tankers and merchant ships has increased Soviet influence with Kuwait, and could result in what appears to be a permanent Soviet presence in the Persian Gulf.

Disturbing as this is, it is the Soviet presence around the Bab el Mandeb, the strait connecting the Red Sea and the Indian Ocean, that perhaps augurs more ominously for the interests of the United States and its friends. The Soviets' naval base on Ethiopia's Dehalak Island, just north of the Bab, gives them a position of strong influence over all maritime traffic, commercial or military, transiting the Red Sea. The Soviets' position astride the principal sea lane linking Europe and the Atlantic to the Persian Gulf and East Asia is reinforced by their established presence on the Ethiopian mainland and in South Yemen (PDRY). Moreover, the Soviets have in recent years also gained limited but growing access to North Yemen (YAR), which like

PDRY lies adjacent to the Bab (see map). In times of sudden crisis, Soviet control of the strait would be virtually uncontested.


CHOKE POINTS
TURKEY
SYRIA
IRAQ
LEBANON
ISRAEL
JORDAN
IRAN
KUWAIT
STRAIT OF HORMUZ
SUEZ CANAL
EGYPT
BAHRAIN
QATAR
UNITED ARAB EMIRATES
OMAN
SAUDI ARABIA
PEOPLE'S DEM. REP. OF YEMEN
YEMEN ARAB REP
SUDAN
BAB EL MANDEB
DJIBOUTI
ETHIOPIA
SOMALIA

Perhaps the most important element supporting the steady expansion of Soviet influence in the region is their readiness to sell and quickly deliver arms to virtually any buyer. In eight of the 19 countries in the area (see chart), Soviet security assistance has been increasing markedly. Iraq continues to rank first among non-aligned countries worldwide in purchase of Soviet arms. In 1988, Afghanistan received a record-high $2 billion in Soviet security assistance. In the last five years, countries in the Central Command's Area of Responsibility received approximately $30 billion in Soviet security assistance -- over $8 billion in 1988 alone. Moreover, higher levels of Soviet arms sales mean increased presence of Soviet technicians and advisors in purchasing countries.


SOVIET MILITARY ASSISTANCE
IN THE 1980'S [U]
TURKEY
LIBYA
EGYPT
SAUDI ARABIA
PAKISTAN
INDIA
SUDAN
CHAD
KENYA
ZAIRE
SOMALIA
▥ COUNTRIES RECEIVING SOVIET AID

All of these moves by the Soviet Union are low-key, but their net result is to undercut United States influence in the region. We must counterbalance the Soviet effort, or their strategy will prove correct.

Terrorist Threat

The threat of international terrorism is currently one of the most serious problems facing the United States and the countries within Central Command's Area of Responsibility. The level of terrorism remains a constant concern and serves as a destabilizing factor throughout the region.

Over 60 terrorist groups are currently known to exist in the region. Moreover, a growing percentage of the population in the Middle East is under 25, unemployed and restless. This demographic phenomenon offers fertile ground for radicalization, be it religious, nationalistic, ideological or economic.

Many terrorist groups originating in the Middle East are influenced and supported by state-sponsors such as Iran, Libya, Syria and Afghanistan. Radical Palestinian groups such as the Abu Nidal Organization and the Popular Front for the Liberation of Palestine General Command continue to rank among the most deadly and capable groups that operate and train in the area. Iraqi-sponsored terrorism could reemerge on the international scene and an increase in Iranian-sponsored terrorism is expected, as these two countries divert their attention from the war front to a post-war era.

NATIONAL AND REGIONAL OBJECTIVES

Our national security strategy reflects United States national interests and objectives. It provides the broad plan for satisfying our national security objectives. These national security objectives are well defined.

- Safeguard the United States and its allies and interests by deterring aggression and coercion across the conflict spectrum; and should deterrence fail, by defeating armed aggression and ending hostilities on terms favorable to the United States and its allies.

- Encourage and assist our allies and friends in defending themselves against aggression, coercion, subversion, insurgency, terrorism, and drug trafficking.

- Ensure access to critical resources, markets, the oceans, and space for the United States, its allies, and friends.

- Where possible, neutralize Soviet military presence and influence throughout the world, increase the disincentives for Soviet use of subversive force, and encourage independent policies by Soviet client states.

- Prevent the transfer of militarily critical technology and resources to the Soviet bloc and hostile countries or groups.

- Prevent the spread of nuclear, chemical, or biological weapons.

- Reduce our reliance on nuclear weapons by strengthening our conventional and chemical deterrent; pursuing equitable and verifiable arms reduction agreements and insisting on compliance with such agreements; and pursuing technologies for strategic defense.

- Address the root causes -- military, political, economic and social -- of regional instabilities, and maintain stable regional military balances.

Former President Reagan and President Bush have steadfastly reaffirmed America's commitment to protect United States and free world interests in the Region. My task is to put military capability behind these national commitments. Accordingly, United States Central Command objectives are as follows:

- Strengthen regional stability by prudent application of United States influence, presence, and aid.

- Preserve free world access to Southwest Asian oil resources.

- Limit the ability of unfriendly regimes to destabilize or subvert the governments of our friends and allies.

- Counter Soviet initiatives to gain influence and power in the region.

- Deter and, if necessary, defend against Soviet aggression.

Using these national and regional security objectives as a guide, United States Central Command has developed a theater strategy that recognizes the importance of the region, considers its unique problems and addresses the regional and global threat.

THEATER STRATEGY

Two mutually supporting strategies must be worked simultaneously to accomplish these objectives. The first strategy is used to guide actions during peacetime and prepare the stage should the second, a wartime strategy, need to be executed.

Peacetime

The goal of Central Command's peacetime strategy is deterrence. This strategy is designed to strengthen our ability to deter war by demonstrating our resolve to support allies and friendly nations and to counter increased Soviet influence. This is best accomplished by demonstrating to our friends in the region our solid commitment to their security. By doing so we enhance our ability to maintain continued access to the region. Security Assistance, presence, and exercises in the region are the pillars of the strategy.

- Security Assistance permits the regional states to strengthen their ability to defend themselves by providing arms, military training, technical training and logistical support.

- Visits and consultations are designed to gain and maintain access to key sites within the region while building trust and confidence in our capabilities and intentions to participate in a cooperative defense.

- Daily presence of operational forces and a well-developed program of frequent combined exercises confirm commitment and bolster mutual confidence in our ability to execute a coalition defense of the region.

Regional nations must be continually assured that the United States has a long-term commitment to their security and that United States resolve to defend against external aggression is lasting. This strategy supports the achievement of national objectives in an environment of peacetime competition and builds the foundation upon which the wartime strategy rests. An example of such commitment is the presence of the Joint Task Force Middle East in the Persian Gulf and Northern Indian Ocean which played a major role in achieving the cease-fire. Central Command will maintain a naval force in the region, at a level consistent with the threat and the requirement for our presence. Our friends in the region see this as a key element of our commitment to their security.

Wartime

Central Command's wartime strategy is derived from an analysis of Soviet long-term strategic objectives in Southwest Asia. Those historical objectives focus on alternate warm water ports, oil resources, land access, and control of lines of communication to those resources. Hence, our strategy is designed to deny Soviet attainment of those objectives.

Our strategy reflects that, within the context of a global strategy and finite available forces, Central Command could well be a secondary theater. It places a premium on coalition warfare in which our friends and allies assume a share of the responsibility for defense of the region. This allows United States forces to concentrate on challenging and denying the Soviets their objectives.

The Command's strategy is sufficiently flexible to accommodate uncertainties which will not be known until the time of execution. It accommodates these variables by providing flexible execution options. This approach serves deterrence as well as war fighting. If deterrence fails, the options bring to bear available forces at key locations to strengthen regional defenses, deny the Soviets their strategic objectives, and ultimately confront and defeat them.

In sum, the Central Command's strategy is necessarily one of economy of force which capitalizes on the synergistic effect of United States and friendly forces to selectively deter or counter hostile Soviet military actions. Clearly, coalition warfare and active military support of our objectives by friends and allies are critical.

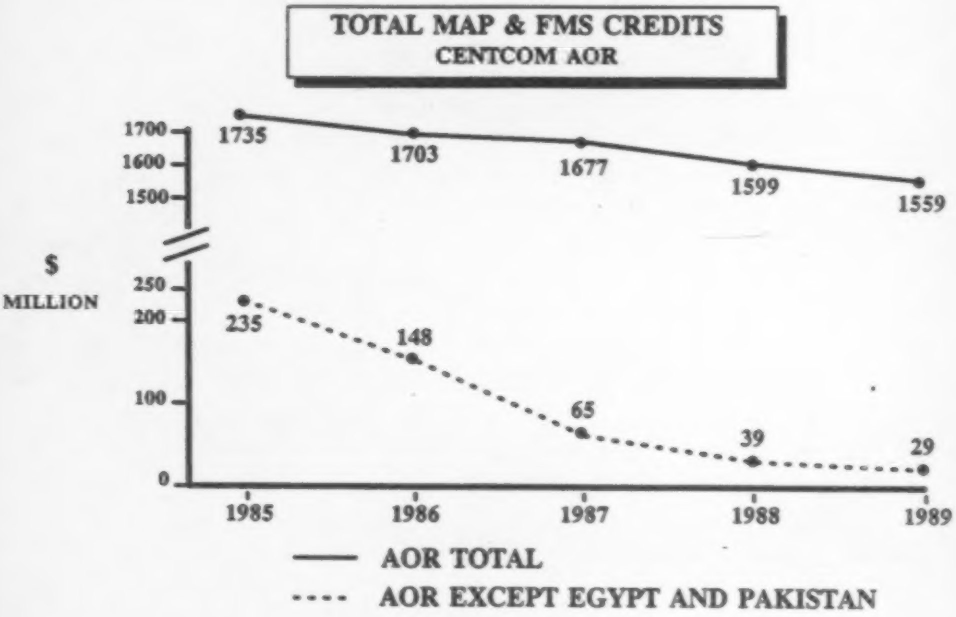
RESOURCES

Declining budgets will require tough decisions to ensure that this nation gets the most for its dollar. If Central Command is to accomplish its peacetime and wartime missions, there must be continued support in the following areas:

Security Assistance

In order for the United States to exercise effective leadership within a cooperative regional framework, a credible security assistance program for the Central Command region is necessary. Security assistance is an essential instrument in the implementation and integration of the twin pillars of our national military strategy - deterrence and forward defense. Security assistance has been, and can continue to be, a productive and cost-effective investment which yields enormous returns at a relatively small price. The role of security assistance in Central Command's theater strategy calls for programs tailored to build a coalition of strong local forces, capable and confident in combined operations, when required, with the Central Command forces. With no permanently stationed Central Command troops on the ground, this coalition of local forces serves as a ready and effective force multiplier. This reliance on our regional friends and allies becomes even greater as our own defense budget declines.

As emphasized throughout this statement, program reductions since 1985 and restrictive arms transfer policies have damaged our credibility as a reliable security assistance partner and threatened our regional access and overall military-to-military relationships. This situation is further exacerbated by "earmarking" security assistance funds which has caused some of our country programs to bear a disproportionate share of the reductions. In the past few years, earmarks have remained relatively constant while non-earmarked funds are down by 87.6%, as shown on the chart below. These reductions send an ominous signal to non-earmarked countries. Should this trend continue, the damage to United States' interests in the area may prove irreversible.

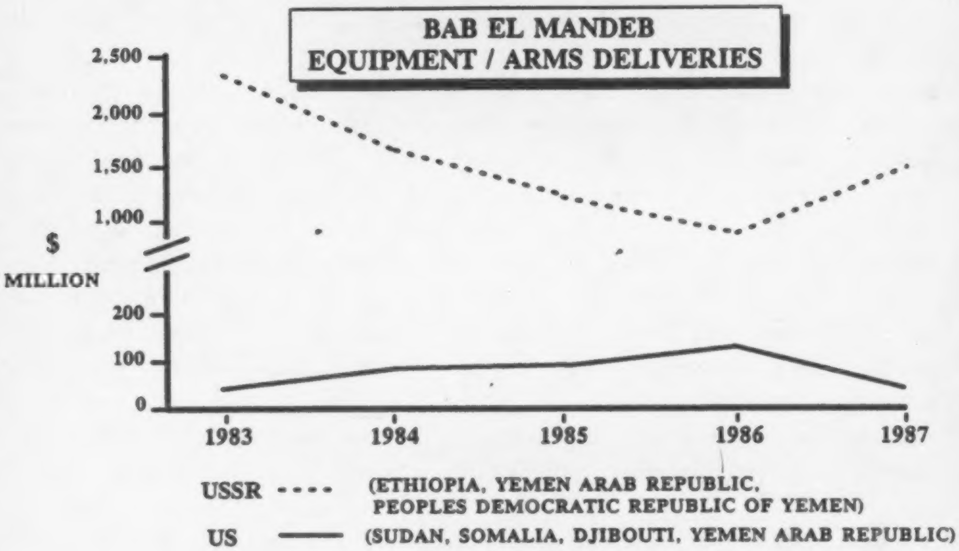


In order to ensure the most efficient use of funded security assistance, it is necessary to plan and fund long-range programs. Reductions since 1985 have eroded the effectiveness of many programs, and threatened self-sufficiency, regional defense arrangements and major capital security assistance investments. These reductions, combined with Congressionally restricted arms transfer policies for cash countries, have given our adversaries increasing confidence that they can challenge United States interests with impunity. Further, a void has been created for others to fill as they increase their influence and actively pursue the international arms export market. Over $43.1 billion in known arms sales have been lost by the United States in the last four years.

The recent $30-35 billion purchase by the Saudis of British aircraft, air bases, and other equipment is a prime example of our western allies filling the gap created by our restrictive arms transfer policies. On the other hand, the stringent restrictions and conditions imposed before approving the sale of 70 Stinger anti-aircraft missiles to Bahrain is an equally disturbing example. (One of the conditions of the Bahrain Stinger sale was a mandatory buy-back provision, requiring that Bahrain agree to sell the Stingers back to the United States no later than 18 months from the date of enactment of the legislation. The sale was approved only after the buy-back provision was included.) Such provisions embarrass both the United States and the purchasing country by insinuating that we cannot trust a proven friend and that our own commitment is vacillating. During our Persian Gulf operations in 1988, Bahrain's support, as well as that of other Gulf Cooperation Council countries, was significant as together they provided the United States almost $90M worth of fuel support and other services. This is the sort of cooperation we must have if we are to continue to achieve military objectives there. Without the good relationships fostered by security assistance, including arms sales, we cannot be sure of sustaining this level of cooperation in the future.

While security assistance is the key to conducting coalition warfare, it can also promote a whole range of other security relationships -- influence, access, and mutual commitment. Unfortunately, the erosion of United States security assistance programs has actually escalated the probability of increased arms acquisitions from other sources.

While the Soviet Union has demonstrated flexibility and responsiveness in providing military assistance to meet its foreign policy objectives in the region, the US has failed to do so. For example, when one considers those countries surrounding the strategic Bab el Mandeb choke point opposite the Yemens, the Soviets have delivered over 20 times as much military equipment during the period 1983-1987 as has the United States. As shown below, United States military assistance began to counter Soviet influence through 1986; however, as United States funding declined, the Soviets immediately filled the void.



A good example of the Soviets stepping into a position of prominence in the area is the case of the Yemen Arab Republic (YAR). Our programs had been designed to demonstrate the superiority of American equipment and the reliability of our sustaining support. Even before the drastic reductions of our assistance to the YAR, the Soviets had aggressively been pursuing programs such as aircraft, tanks, personnel carriers, and air defense weapons. This trend shows every sign of continuing.

In Jordan, the steady decline in United States military assistance -- from a high of $115 Million in FY84 to $10 million for FY89 (the lowest figure since the mid-60's)--has significantly eroded the United States position, particularly with the Royal Jordanian Air Force. The Soviets have gained a virtual monopoly on Jordan's tactical air defense, the aging (and immobile) United States-provided Hawks notwithstanding. The King's decision last year to purchase British and French fighter aircraft--following a long and serious look at Soviet fighter aircraft--is probably part of a long-term trend toward increased military dependence on Europe.

Besides generally weakening our position in the area, some of the direct effects of funding reductions are:

- Postponement of force modernization.
- Cuts in logistics support for existing systems.
- Cancellation of entire programs.
- Degradation of the readiness of previously purchased weapons system.

For our friends and allies shown on the chart on page 39 (Sudan, Somalia, Djibouti and the Yemen Arab Republic), plus Jordan and Kenya, only $28.5 million in United States-funded military assistance was provided for FY89. For FY90, we believe $147.5 million is the required amount for these countries in order to meet United States security assistance objectives and support our coalition warfare strategy. Anything less will put the economy-of-force aspect of our strategy at risk. We simply cannot afford to ignore the uniquely cost-effective advantages gained by prudent security assistance investments.

In short, the lack of a long-range, adequately funded United States security assistance program is threatening regional stability, decreasing available regional support, and opening the door for challenges to United States interests and influence. Should present downward trends and restrictive arms transfer policies continue, we may one day find our position so weakened that we cannot respond effectively to Soviet challenges.

Exercise Support

With few permanently assigned forces, exercises provide the primary means to evaluate the joint capabilities of forces that would be assigned to Central Command. Joint Task Force Middle East currently represents the only assigned force continuously operating in the Area of Responsibility. Day-to-day operations and contingencies have resulted in operational improvements which make Joint Task Force Middle East a ready and experienced asset. Exercises must be used to improve and train the remaining forces of both the United States and our friends and allies in the area. Central Command's recent successes in the Persian Gulf and its consistently improving reputation throughout the Area of Responsibility have contributed to an easing of access restrictions. As a result, efforts are underway to capitalize on this opportunity to broaden the exercise program and involve more countries. Exercises will, however, require increased resource support in service O&M as well as JCS transportation funding above the FY88/89 level to support new initiatives. Small exercises are the first step in expanding military-to-military relationships and are a necessary and effective starting point in countries allowing first-time access. As exercise levels increase, command relationships, technical complexity, size, and importance of these exercises grow. Ultimately, this growth can progress to participation in the major exercise, BRIGHT STAR. Conducted every two years, BRIGHT STAR was last held in 1987, costing over 75 million dollars. This massive exercise provides the only opportunity to train and test a large joint Service United States force -- in coordination with the armies of several countries in the Area of Responsibility. It is essentially our dress rehearsal for the complex goal of interoperability. The required exercise level growth cannot be absorbed within the existing program. Therefore, an increased investment is needed now to provide the required practical battlefield simulation that will coalesce our forces with those of our friends.

In addition to providing improved training opportunities, the Central Command exercise program demonstrates our resolve to support friendly Area of Responsibility nations, provides a means to maintain regular access to areas without United States permanent bases, and increases military-to-military cooperation. The vast differences in climate and culture make it important that servicemen and women understand the character as well as the capabilities of those they may be fighting alongside. Increased support for the exercise program, as outlined above, is requested.

The nations of the Central Command Area of Responsibility vary widely in their economic ability to support their armed forces. Title 10 funding is the only way some of these countries will be able to participate in combined exercises. Because of severe financial difficulties, some countries cannot support participation without harming other essential programs. Congressionally established ceilings on Title 10, Section 2010 (Participation of Developing Countries in Combined Exercises: Payment of Incremental Expenses) and Chapter 20 (Humanitarian/Civic Assistance) severely limit flexibility in developing viable programs across several countries. These two programs fund interaction with the host nation in two areas. First, Section 2010 enhances exercises by allowing us to support host nation participation in a combined exercise. Through this program, reimbursement for expended consumables, such as food, fuel, ammunition, etc., is possible, either by direct payment or by providing the consumables themselves. In countries with minimal reserve stockpiles this support is often critical.

Second, Humanitarian/Civic Assistance allows the forces participating in these exercises to interact with the civilian populace by covering the costs of construction projects, such as water wells, and medical treatment supplies. These efforts dramatically improve relationships with people outside the military while training our service personnel. By linking the two programs to exercises, we enhance the image of the United States and gain critical access in the Area of Responsibility. One of the most beneficial Title 10 programs, Section 1051 (Bilateral or Regional Cooperation Programs Payment of Personnel Expenses), provides the capability to bring foreign personnel here to plan exercises and observe United States tactics in large scale exercises. Congressional authority to fund this travel under Title 10, section 1051 expires on 30 September 1989. An extension of this authority is required to ensure the continuance of this successful and beneficial program.

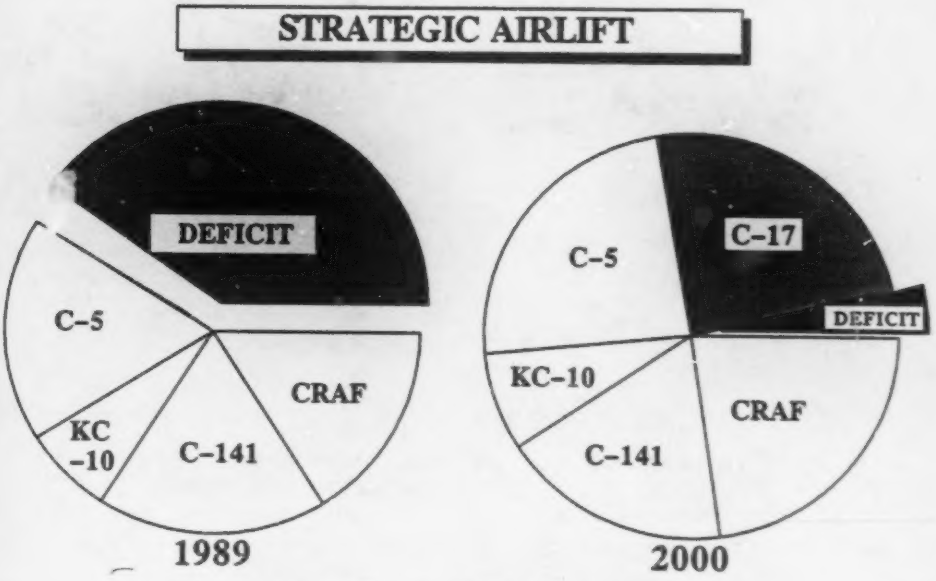
Readiness

The readiness and sustainability of Central Command are manifested in the status of units and our ability to keep them supplied in combat. Our combat units have no significant readiness problems which preclude them from accomplishing their assigned mission. The readiness level of the Army non-major support units, especially in the Reserve Component, continues to be a concern. Because of your support, Army personnel, training and equipping programs have made substantial progress in many aspects of force readiness. Your past assistance is greatly appreciated and with continued support steady improvement is projected in the future.

Lift

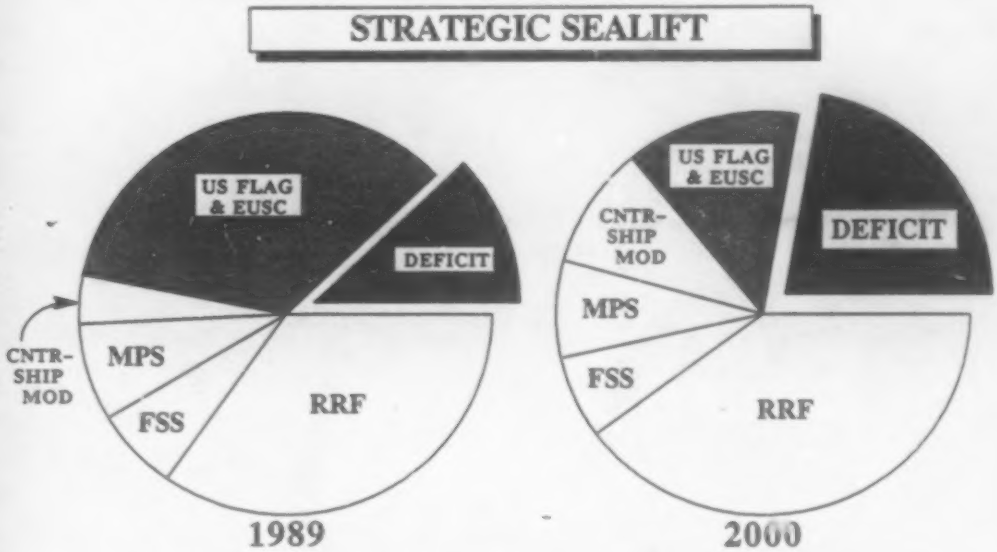
Today both airlift and sealift resources are inadequate to meet our deployment requirements. As the chart below shows, the

C-17 is the only current program that will provide a substantial increase in strategic airlift capability and take us close to the national goal of 66 million-ton-miles/day. Although Central Command would deploy only 17% of the national force, because of the huge distances involved, this deployment requires 50% of the national airlift goal. Since there exist other and competing high-priority requirements, we urgently need full support of the DOD airlift program.



GOAL: 66 MILLION-TON-MILES / DAY
CRAF - CIVIL RESERVE AIR FLEET

Our requirement in sealift is to move one-million short tons of unit equipment to Southwest Asia within 90 days. Currently, 89% of that requirement can be met, but unlike airlift we see no future ramp-up in this capability. In fact, the prognosis for sealift, shown in the chart below, is that the deficit will double in the next ten years.



GOAL: ONE MILLION SHORT TONS (UNIT EQUIPMENT)

EUSC - EFFECTIVE US CONTROL
FSS - FAST SEALIFT SHIPS
MPS - MARITIME PREPOSITIONING SHIPS
RRF - READY RESERVE FORCE

There are three contributors to this decline. They are:

- Availability of crews for Ready Reserve Force ships: Of the 29,000 man Merchant Seaman pool, more than 50 percent are over 50 years of age. A deficit of 12,000 trained merchant mariners is expected by the year 2000 against what we need to meet mobilization requirements.

- Decline of shipyard facilities and skilled workers: In 1980, there were 69 merchant ships under construction in American shipyards. At the end of 1987, there were no commercial ships under construction. The skilled shipyard worker force is down 30 percent from 1982. The decline of shipyards and their work force endangers our nation's ability to maintain and activate our Ready Reserve Force.

- Decline of United States Flag Merchant Fleet: It is not economically viable for United States Flag carriers to compete in the international marketplace. Accordingly, the size of the United States flag merchant fleet continues to shrink. Of 199 militarily useful dry cargo ships in operation in 1987 only 93 are projected to be available in the year 2000.

Because of the weight and cube of deploying units and their sustaining supplies, 95% of Central Command's requirements will come by sealift. The sealift shortfall strikes at the heart of the deployment and sustainment lifeline. This problem is of particular concern to us, since we have no forward deployed forces.

Existing programs designed to maintain our current capability include expansion of the Ready Reserve Force and the Containership Modification Program. The latter buys seasheds and flatracks which enable containerships to carry unit equipment. Projections are that these existing programs, if fully supported, will marginally support unit equipment lift only until 1992.

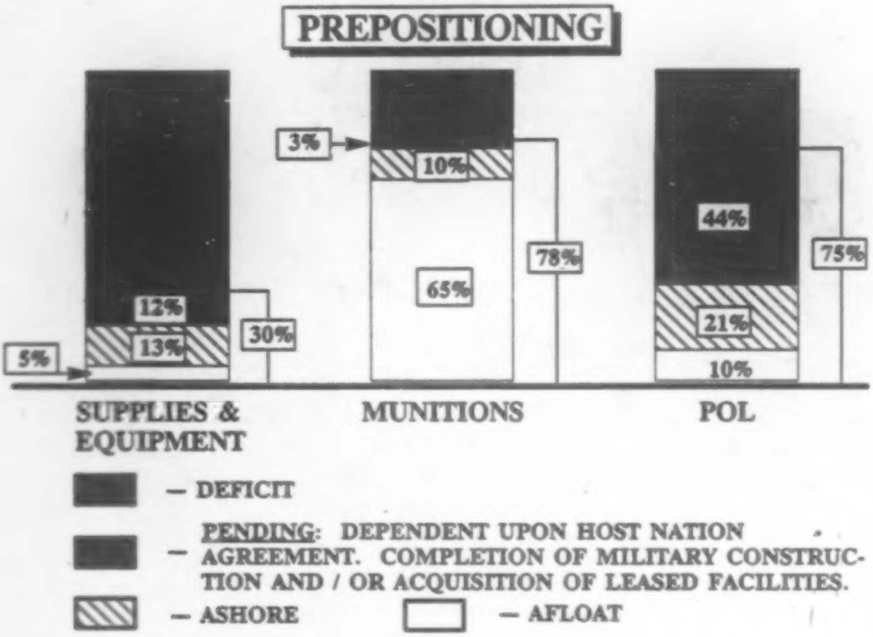
The current SL-7's, Fast Sealift Ships, provide a good start in improving our rapid deployment capability. However, other technologies being developed through Navy R&D programs for fast sealift (e.g., surface-effects-ships) need to be supported if we are to overcome projected deficits in strategic lift as we move toward the 21st century.

MILCON

With the strong support of Congress, significant progress has been made at reducing critical facility shortfalls. The FY88 program largely completed requirements at Diego Garcia and allowed steady progress at improving our pre-positioning posture in the region. The 1989 program provided funds for two critical projects which support United States Army pre-positioning and staging as well as improvements to United States facilities. The proposed 1990 MILCON Program builds upon the momentum of the past two years with six projects valued at $52.7M. The goal of the FY90 program is to correct airfield deficiencies (taxiways and aircraft parking aprons) at two strategic locations as well as providing additional warehouses for both the Army and Air Force. The Southwest Asia FY90 program also proposes additional hydrant fueling upgrades at Lajes to further improve this enroute support location. With Congressional support in FY90, Central Command will reduce its facility deficit which once stood at $1.4B to about $200M by the end of 1990.

Pre-Positioning

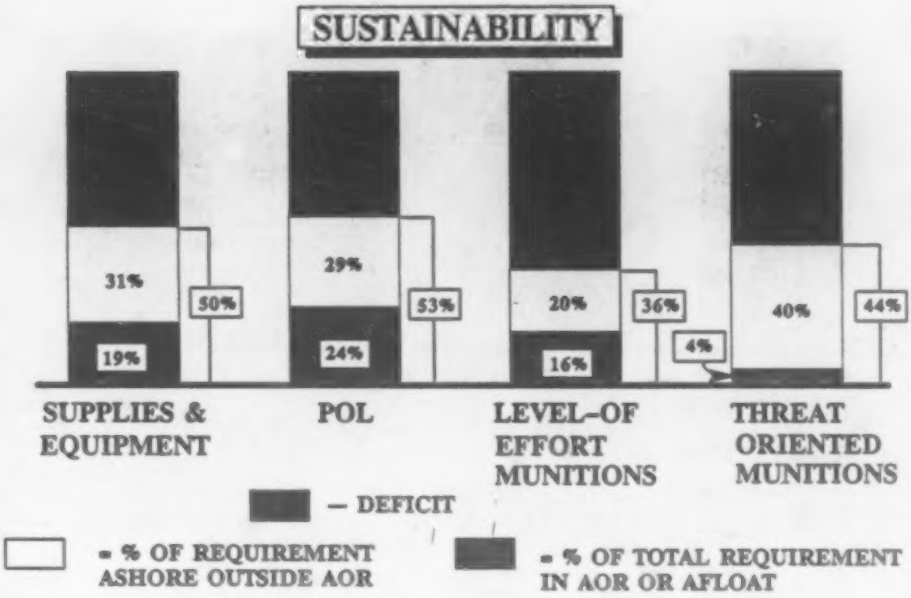
Readiness of United States forces for initial combat depends on theater-prepositioned War Reserve Materiel (WRM). Prepositioning (PREPO) of WRM enhances the ability to respond during full-scale operations and gives us flexibility to employ forces rapidly. Another important advantage of pre-positioning is that it is also available to support overseas exercises, which considerably reduces operating costs by decreasing airlift and sealift requirements. Shown below is the current PREPO posture.



Current initiatives and previous congressional authorizations should improve Central Command's posture by approximately 1.2 million square feet of storage space, 6,000 short tons of munitions, and 5 million barrels of bulk petroleum.

Sustainability

While pre-positioned stocks meet the deploying forces' immediate need, sustainability is the other essential element of successful force projection - the staying power of a military force once it is deployed. Materiel sustainability is composed of several interdependent elements including assets pre-positioned and those in depot stocks in the United States. Shown below is the current materiel sustainability posture.



Primary shortages include major end items, medical supplies, repair parts, bulk petroleum, preferred munitions, and air-to-air missiles. The proposed budget provides modest gains in munitions. However, equipment shortages continue to be a problem for some support units. The Services need continued funding support to reverse this situation. Particularly critical items include the Air Force and Navy AMRAAM Program and Army modern munitions.

Another aspect of sustainability, Logistics Over the Shore, is the capability to load, offload and transfer equipment and supplies from ship to shore. Currently Central Command has only a 9,800 short ton per day capability against a 21,000 short ton per day goal. The key to a successful Logistics Over the Shore operation program is a Lighter Amphibious-Heavy (LAMP-H) hover craft which can deliver a full range of equipment across the beach. This important program is being supported by the Army and continued funding support is solicited.

Sustaining Central Command forces requires adequate medical facilities and equipment. While the plan is to use available medical facilities to the maximum extent, a 70% bed shortfall still exists which is of major concern and can only be overcome with continued support for the Deployable Medical Systems Program which is funded in the current budget.

Command and Control

A robust, survivable, theater-wide communications capability is an essential element in the effective command and control (C2) of assigned forces. Consequently, development of a command and control communications infrastructure receives a high priority.

Until recently, the region was uniquely devoid of United States command and control communications. The Defense Communications System essentially stopped at Turkey in the West and at the Philippine Islands in the East. Furthermore, most host nation commercial communications are extremely limited and their viable military systems are just now beginning to come on line.

Due mainly to requirements associated with tanker escort operations in the Gulf, the Command has enjoyed limited success in closing this gap in the Defense Communications System. Minimum essential communications and computer systems have been pre-positioned in an operational status at key locations to support the Commander, Joint Task Force Middle East, Security

Assistance Offices, United States Military Training Missions, and United States Embassies.

Plans are to continue to upgrade assets in the Area of Responsibility and the continental United States. Actual deployment will be gradual and will depend on operational and storage agreements negotiated with the region's host nations. Ideally, equipment will be positioned in storage at preferred locations where communications maintenance and management facilities are planned. Equipment based in the United States will be maintained in an operational status and will be used for training prior to any required deployment.

Since Persian Gulf activities are closely related to friendly regional states, interoperability requirements are not limited to United States forces. A number of secure voice circuits have been established between the United States and friendly nations for immediate threat warning and measured, combined responses. Permission for overflight clearance is obtained through this means as is coordination on other matters of mutual interest and concern.

The Central Command's Command and Control posture has steadily improved throughout the past year. Further, plans and programs are in place to continue the improvement in both near and long term.

Intelligence

The success of our forces' tanker escort mission in the Persian Gulf over the last year and a half could not have been achieved without the timely collection, analysis, and dissemination of reliable intelligence to the commanders on the scene.

During this period, Central Command deployed and depended on small-scale intelligence systems of limited capability. These were the only systems available to us; despite their usefulness, they failed to fill several critical voids in our intelligence requirements.

With your support, Central Command hopes to put in place an array of full-capability systems that will be able to provide comprehensive intelligence support to Central Command forces in any foreseeable contingency. These will include the Deployable Intelligence Data Handling System (DIDHS), which is to come on line this year, and will boost our ability to analyze and manage the flow of intelligence information from collector to commander. A new imagery-processing system, which we hope to get next year, will slash a remarkable 18 to 24 hours from our response time to imagery intelligence requests.

Coupled with new communications capabilities such as the Portable Receive-Transmit System (PORTS-II) and the Scalable Transportable Intelligence Communications System (STICS), we will be able to move imagery and intelligence data from the photo interpreter to the operational commander in minutes rather than days.

Finally, we are exploring the capabilities of newly-developed, reliable, relatively inexpensive Remotely Piloted Vehicles (RPVs), which could give operational commanders immediate, on-scene reconnaissance support.

Intelligence support is an area in which Central Command cannot afford to fall behind. With your backing, the Command will be able to provide its forces with the timely, reliable intelligence they need to operate effectively in any foreseeable contingency.

SUMMATION

To sum up, let me state Central Command's position as succinctly as I can.

Because of its oil and critical sea lines of communication, the Central Command Area of Responsibility is vital to the security of the United States and its allies. Increasing Soviet presence and influence in the region constitute a threat to our interests. The best way to counter this threat is by building our regional friends' confidence in our commitment to their security. The United States can do this by maintaining a military presence in the region at a prudent level, by pursuing a comprehensive program of joint/combined military exercises with host nations, and by supporting the legitimate defense needs of our friends in the region through arms sales and meaningful levels of security assistance. Central Command has accomplished much in the past year and a half to prove our commitment. With sustained Congressional support, we will continue to do so.

WEDNESDAY, FEBRUARY 1, 1989.

COMMANDER IN CHIEF, UNITED STATES SOUTHERN COMMAND

WITNESS

GENERAL FREDERICK WOERNER, JR., COMMANDER IN CHIEF, UNITED STATES SOUTHERN COMMAND

INTRODUCTION

Mr. **MURTHA**. The committee will come to order.

This morning the committee will hear testimony from the Commander in Chief of the U.S. Southern Command, General Frederick Woerner, Jr.

Although the budget and infrastructure of the Southern Command are modest in size and resources, the command is responsible for an area of great importance to the United States—namely Central America and South America.

This hearing is closed, subject to a vote taken on January 31. General, you have appeared before this committee before, we welcome you back. Please proceed with a summary of your statement.

SUMMARY STATEMENT OF GENERAL WOERNER

General **WOERNER**. Thank you, sir.

ECONOMIC PROGRESS

I see the region as a dichotomy between very significant progress on democratization, but unaccompanied, unfortunately, by socio-economic progress.

More specifically, in terms of democracy over the past decade, plus a year or two, we have seen at least ten countries exchange military rule for participatory democracy. Whereas, in the beginning of this decade, I would have counted the democracies on one hand, it is now possible for me to count the dictatorships in the Latin-American region on that same hand; specifically, Nicaragua, Panama, and Paraguay with Chile being in transition following their noted plebiscite.

This, as I have said, unfortunately has not been accompanied by a reasonable degree of economic growth that would concomitantly permit social change. So we see such indicators persisting as a birth rate of 2.3 percent.

That doesn't sound like very much, but it doubles the population in Latin America every 30 years and it skews the distribution, the demographics, so that you have an inordinate population percentage under the age of 15, the international standard of productivity. This leads then to unemployment.

The figures are very soft, but we estimate, for example, in the Central American region that perhaps 40 to 50 percent of the potential work force are under or unemployed.

In the case of the horrendous national debt, $420 billion for the region, we find that the countries have no chance for capital investment as they find themselves incapable of even servicing that debt. The inflation rate—whereas we would panic at the thought of double digit, triple digit is normative in Latin America.

One does not have to cite the basket cases of Nicaragua, 27,000 percent inflation rate, or even Peru at about 2,000 percent, but the average within the hemisphere last year was 187 percent inflation rate.

One needs to look at the above in conjunction with an economic growth rate at 0.6 percent, and certain facts concerning per capita income. For example, the real per capita earnings of the work force in Mexico in the past five years have declined 40 percent. One could just go on and on measuring the lack of economic growth, with its spill-over into the social arena, to realize the scope of the problem and accordingly the need for a U.S. policy that addresses a full range of options.

SOUTHCOM POLICY

I believe that we need a policy that puts in better balance small issues with large issues, small countries with large countries, and small regions with large. I am saying specifically that we should not permit our policy to be captured by General Noriega when we have interest as great as Brazil, Mexico, and Argentina.

This policy of ours should—in fact must, focus on the international debt crisis. Should it fail to do that, it will not be relevant to Latin America. The policy should reflect a strategic vision rather than a floating crap game, and should be accompanied by a decisive authority which I find seriously lacking in past years.

Within the context of this policy, there are some very pressing issues that must be addressed.

CENTRAL AMERICAN POLICY

I think foremost among those is the requirement for the design of a new Central American policy. I base that on the assumption that there is no support present at this moment for the renewal of lethal aid to the Contras.

Therefore, in light of the fact that the Sandinistas under Daniel Ortega continue to consolidate their regime, and that the internal opposition is demonstratively incapable of bringing democracy to Nicaragua, there must be a broader-based policy—given that we in essence have none right now. This policy would include such items as modestly-enhanced support to Guatemala, specifically on the military dimension. We should lift the constraint on lethal aid, which I find anachronistic at this point in history.

It is very important to sustain the bipartisan support to El Salvador. This is particularly true in that I can almost guarantee that Salvador will come under increased attack at a level not realized since the early 1980's. This attack will be of a different nature and have a political content that will exceed the military content that has dominated to date.

This policy would have to be very attentive to Honduras. They have been an extraordinarily faithful ally, and we should be forthcoming in our support and hand-holding as they go through a very difficult electoral process, greatly complicated by the presence of ——— Contras in their sovereign territory.

The policy would also provide a sustained, reasonable degree of support to Costa Rica. Thus, what I am suggesting is a proactive policy that supports our democratic allies and in that support provides incentives to the modification of Sandinista behavior.

PANAMA

A second issue that will confront the Administration, and in which you will play a major role, is that of Panama. We have to decide whether or not the current policy is designed in the best interest of the United States and of the Panamanian people, those who seek freedom and democracy. We have to decide whether or not that policy is succeeding or has a chance to succeed.

If we conclude that it does not, then a change is in order no matter the painfulness of that change. I would suggest that if it is decided that a change—not a reversal, but a modification of the policy—is in order, then we have a catalytic event on which to base it, and that is the 7 May elections in Panama.

Bottom line, I think it absolutely fundamental that we anticipate the results of 7 May and know precisely what we are going to do on the 8th of May; we cannot wait until the 8th to decide on a course of action, because the status on the 7th is almost absolutely predictable.

DRUG INTERDICTION

The third and final-most pressing issue among many is the counter drug activities and, specifically within my area of responsibility, the role that the American people want the U.S. military to play.

I can tell you we are losing the war against drugs in spite of our best efforts or in spite of our efforts. The problem is of such proportions that it demands a national commitment for a long term, with decisive authority being accompanied by adequate resources.

With that, sir, I would welcome your questions.

Mr. **Murtha**. Thank you, General.

[The biographical sketch and statement of General Woerner follow:]

RESUME OF SERVICE CAREER

of

FREDERICK FRANK WOERNER, JR., General

DATE AND PLACE OF BIRTH 12 August 1933, Philadelphia, Pennsylvania

YEARS OF ACTIVE COMMISSIONED SERVICE Over 32

PRESENT ASSIGNMENT Commander in Chief, United States Southern Command, Quarry Heights, Panama, APO Miami 34003, since June 1987

MILITARY SCHOOLS ATTENDED

The Infantry School, Basic and Advanced Courses
United States Army Command and General Staff College
Uruguayan General Staff College
United States Army War College

EDUCATIONAL DEGREES

United States Military Academy - BS Degree - Engineering
University of Arizona - MA Degree - History

MAJOR DUTY ASSIGNMENTS

FROM	TO	ASSIGNMENT
Aug 55	May 56	Student, Infantry Officer Basic Course, Airborne School, Special Infantry Weapons Course and Ranger School, United States Army Infantry School, Fort Benning, Georgia
May 56	Dec 56	Platoon Leader and later Executive Officer, Company C, 1st Battalion, 27th Infantry Regiment, United States Army Pacific Command, Hawaii
Jan 57	Mar 58	Platoon Leader, Company A, and later Assistant Group S-3 (Operations), 2d Battle Group, 21st Infantry, United States Army Pacific Command, Hawaii
Mar 58	Oct 58	Aide-de-Camp to the Commanding General, 25th Infantry Division, United States Army Pacific Command, Hawaii
Oct 58	Jan 59	Courier Officer, United States Armed Forces Courier Station Hawaii, Schofield Barracks, Hawaii
Jan 59	Apr 59	Assistant Operations and Training Officer, Operations and Training Division, Office of the Assistant Chief of Staff, G-3 (Operations), 25th Infantry Division, United States Army Pacific Command, Hawaii
Jun 59	Dec 59	Student, Spanish Language, United States Army Language School, Presidio of Monterey, California
Dec 59	Aug 60	Assistant Statistical Officer, United States Army Infantry Center, Fort Benning, Georgia
Sep 60	May 61	Student, Infantry Officer Advanced Course, United States Army Infantry School, Fort Benning, Georgia
Jul 61	Mar 62	Commander, Company D, 2d Battle Group, 23d Infantry, 2d Infantry Division, Fort Benning, Georgia
Apr 62	May 62	Student, United States Army Special Warfare Center, Fort Bragg, North Carolina

FREDERICK FRANK WOERNER, JR., General

MAJOR DUTY ASSIGNMENTS

FROM	TO	ASSIGNMENT
May 62	Jan 63	Battalion Advisor, 27th Civil Guard Battalion, I Corps, United States Military Assistance Advisory Group, Vietnam
Jan 63	May 63	Civil Guard/Self Defense Corps Advisor, Vinh Long Sector, 7th Infantry Division, IV Corps, Military Assistance Advisory Group, Vietnam
May 63	Aug 63	Assistant Personal Affairs Officer, Office of Allied Personnel Supervisor, United States Army Command and General Staff College, Fort Leavenworth, Kansas
Aug 63	Jun 64	Student, United States Army Command and General Staff College, Fort Leavenworth, Kansas
Jul 64	May 65	Student, University of Arizona, Tucson, Arizona
May 65	Apr 66	Student Officer, Foreign Area Support Training Detachment, Office of the Assistant Chief of Staff for Intelligence, United States Army with duty station Bogota, Colombia
Apr 66	Jan 69	Civic Action Officer, Joint Plans and Operations Division, United States Military Group, United States Southern Command, Guatemala City, Guatemala
Mar 69	Dec 69	Student, Command and Staff School, Uruguayan Military Institute of Superior Studies, Uruguay
Dec 69	Jul 70	Chief, Organization and Training Division, Office of the Assistant Chief of Staff, G-3 (Operations), XXIV Corps, United States Army Vietnam
Jul 70	Jan 71	Commander, 1st Battalion, 6th Infantry, 198th Infantry Brigade, 23d Infantry Division (Americal), United States Army Vietnam
Jan 71	Jul 72	Staff Officer, General Military Training and Support Branch, Unit Training and Readiness Division, Organization Training and Readiness Directorate, Office of the Assistant Chief of Staff for Force Development, United States Army, Washington, DC
Aug 72	Jun 73	Student, United States Army War College, Carlisle Barracks, Pennsylvania
Jun 73	Jul 77	Director, The Americas Studies, Department of National and International Security Studies, United States Army War College, Carlisle Barracks, Pennsylvania
Aug 77	Apr 79	Commander, 3d Basic Combat Training Brigade, Engineer, Fort Leonard Wood, Missouri
May 79	Feb 80	Chief of Staff, 24th Infantry Division and Fort Stewart, Georgia
Feb 80	Aug 80	Director, Echelon Above Corps Study, United States Combined Arms Center, Fort Leavenworth Kansas
Aug 80	Apr 82	Deputy Commanding General, United States Army Combined Arms Training Developments Activity, Fort Leavenworth, Kansas
Apr 82	Mar 86	Commanding General, 193d Infantry Brigade/Commander, United States Army Security Assistance Agency, Latin America
Mar 86	Jun 87	Commanding General, Sixth United States Army, Presidio of San Francisco, California

FREDERICK FRANK WOERNER, JR., General

PROMOTIONS	DATES OF APPOINTMENT Temporary	 Permanent
2LT		3 Jun 55
1LT	3 Dec 56	3 Jun 58
CPT	21 Feb 61	3 Jun 62
MAJ	29 Nov 65	3 Jun 69
LTC	11 Jun 69	15 Jun 76
COL	1 Jan 76	3 Jun 79
BG	1 Nov 79	22 Jan 82
MG		1 Jul 84
LTG		1 Apr 86
GEN		6 Jun 87

US DECORATIONS AND BADGES
Distinguished Service Medal
Legion of Merit (with 2 Oak Leaf Clusters)
Bronze Star Medal (with Oak Leaf Cluster)
Meritorious Service Medal
Air Medal
Army Commendation Medal
Combat Infantryman Badge
Parachutist Badge
Ranger Tab

SOURCE OF COMMISSION USMA

SUMMARY OF JOINT EXPERIENCE

Assignment	Dates	Grade
Courier Officer, United States Armed Forces Courier Station, Hawaii	Oct 58-Jan 59	First Lieutenant
Civil Guard/Self Defense Corps Advisor, 7th Infantry Division, IV Corps, Military Assistance Advisory Group, Vietnam	Jan 63-May 63	Captain
Civic Action Officer, Joint Plans and Operations Division, United States Military Group, United States Southern Command, Guatemala City, Guatemala	Apr 66-Jan 69	Major
* Commanding General, 193d Infantry Brigade/Army Component, United States Southern Command, Panama	Apr 82-Mar 86	Major General

*Joint Equivalent

As of 8 June 1987

STATEMENT BY GENERAL FRED F. WOERNER
COMMANDER IN CHIEF, U.S. SOUTHERN COMMAND
TO THE DEFENSE SUBCOMMITTEE, HOUSE APPROPRIATIONS COMMITTEE
1 FEBRUARY 1989

MR. CHAIRMAN AND DISTINGUISHED MEMBERS OF THE HOUSE OF REPRESENTATIVES, I WELCOME THIS OPPORTUNITY TO SPEAK WITH YOU ABOUT THE KEY ELEMENTS OF OUR LATIN AMERICAN STRATEGY AND MY ASSESSMENT OF OUR DEFENSE AND SECURITY REQUIREMENTS IN THE REGION.

I. INTRODUCTION

THE BEGINNING OF A NEW ADMINISTRATION IS A STRATEGIC OPPORTUNITY FOR US THROUGHOUT THE WORLD. WE ARE WITNESSING DRAMATIC CHANGES IN THE GLOBAL SITUATION WHICH ARE RESHAPING POWER BALANCES AND CALLING FOR NEW WAYS OF DEALING WITH OUR COMPLEX NATIONAL SECURITY ISSUES. THE NEXT FOUR YEARS PROMISE FURTHER ABATEMENT OF THE EAST-WEST CONFLICT, AS OUR LEADERS SEEK TO BRING BETTER BALANCE BETWEEN OUR RESOURCES AND OUR GLOBAL MILITARY STRATEGY.

THE RELAXATION OF TENSIONS BETWEEN THE UNITED STATES AND THE SOVIET UNION DARES US TO BE MINDFUL OF THE STRATEGIC OPPORTUNITIES AT OUR DOORSTEP. IN 1992 WE WILL ARRIVE AT TWO HISTORICAL MILESTONES - THE PROMISED ECONOMIC UNITY OF EUROPE AND THE FIFTH CENTENNIAL OF THE DISCOVERY OF THE AMERICAS BY THE INTREPID GENOESE UNDER THE SERVICE OF SPAIN. THE ONE WILL SURELY CHALLENGE OUR COMPETITIVENESS IN THE GLOBAL ECONOMY, WHILE THE OTHER WILL

SIGNAL OUR COMMON ROOTS AND COMMON DESTINY IN THIS HEMISPHERE. IT SHOULD ALSO HIGHLIGHT FOR US THE VALUE OF A DEMOCRATIC COMMUNITY OF NATIONS, JOINED BY THE LOVE OF FREEDOM AND A COMMON DESIRE FOR ECONOMIC PROSPERITY AND SECURITY FROM MISERY, INSURGENCY, VIOLENCE, AND THE CORRUPTING INFLUENCE OF NARCOTICS.

TODAY I WANT TO PASS ON MY MESSAGE OF WHERE I THINK WE SHOULD BE HEADED IN THE NEXT FOUR YEARS. I WILL STRESS THE FULL SPECTRUM OF ACTIVITIES WHICH AFFECT OUR NATIONAL INTERESTS IN LATIN AMERICA, BEGINNING WITH A SUMMARY OF MY MAJOR RESPONSIBILITIES AND RESOURCES.

AS THE COMMANDER IN CHIEF OF THE UNITED STATES SOUTHERN COMMAND, I AM RESPONSIBLE FOR U.S. MILITARY ACTIVITIES IN LATIN AMERICA TO INCLUDE CENTRAL AMERICA, PANAMA, AND SOUTH AMERICA BUT NOT MEXICO NOR THE INSULAR CARIBBEAN. MY AREA OF RESPONSIBILITY COVERS SOME 22% OF THE WORLD LANDMASS ASSIGNED TO REGIONAL CINCs, AND I OPERATE ON A BUDGET THAT REPRESENTS LESS THAN ONE TENTH OF ONE PERCENT OF THE DEPARTMENT OF DEFENSE TOTAL.

I HAVE A SMALL, FORWARD-DEPLOYED FORCE, WHICH CONSISTS OF A COMBAT BRIGADE, SPECIAL FORCES BATTALION, SMALL BOAT UNIT, TACTICAL AIR SUPPORT SQUADRON, WITH SUPPORT AND HEADQUARTERS ELEMENTS TOTALLING APPROXIMATELY 10,000 PERSONNEL IN PANAMA AND 16 MILITARY GROUPS (MILGROUPS) IN OTHER CENTRAL AND SOUTH AMERICAN COUNTRIES. IN ADDITION, I HAVE 55 TRAINERS IN EL SALVADOR AND ABOUT 1200 MILITARY PERSONNEL TEMPORARILY STATIONED IN HONDURAS WHO SUPPORT OUR EXERCISE ACTIVITY IN THAT COUNTRY. BY

WAY OF COMPARISON, THESE NUMBERS TOTAL A LITTLE OVER ONE-HALF PERCENT OF ALL DEPARTMENT OF DEFENSE ACTIVE DUTY MILITARY PERSONNEL.

MY FOCUS IS BOTH REGIONAL AND COUNTRY SPECIFIC. REGIONALLY, MY STRATEGY IS TO EMPLOY FORCES TO SUPPORT U.S. GOVERNMENT GOALS OF DEMOCRACY AND DEVELOPMENT. MY PEOPLE WORK WITH A VARIETY OF OFFICE OF THE SECRETARY OF DEFENSE, JOINT STAFF, U.S. COUNTRY TEAM, AND HOST COUNTRY SOURCES TO IDENTIFY AND PRIORITIZE APPROPRIATE ACTIVITIES. THE MAJOR THRUST OF OUR ACTIVITIES IS TO HELP LATIN AMERICAN MILITARY PERSONNEL BECOME MORE TECHNICALLY PROFICIENT AND MORE SUPPORTIVE OF THEIR LEGITIMATELY ELECTED DEMOCRATIC LEADERS.

ON THE COUNTRY LEVEL, I COORDINATE A TAILORED STRATEGY WITH THE U.S. AMBASSADOR, AND I OFTEN DEPEND ON CLOSE COOPERATION WITH THE VARIOUS MEMBERS OF THE COUNTRY TEAM TO IMPLEMENT MY MILITARY AND COUNTER-DRUG INITIATIVES.

THE NATURE OF MY THEATER IS VERY DIFFERENT FROM THOSE OF THE OTHER REGIONAL CINCs. THE PREVAILING ENVIRONMENT IN THE U. S. SOUTHERN COMMAND AREA OF RESPONSIBILITY IS ONE OF UNDERDEVELOPMENT. THE THREAT MOST OFTEN FACED IS COMMONLY REFERRED TO AS LOW INTENSITY CONFLICT BUT WHICH SHOULD MORE APTLY BE TITLED HIGH-PROBABILITY CONFLICT. IN THIS TYPE OF CONFLICT, THE POLITICAL, ECONOMIC, AND SOCIAL DIMENSIONS OF THE PROBLEM ARE AS IMPORTANT AS, AND OFTEN MORE IMPORTANT THAN, THE MILITARY. THERE IS A SIGNIFICANT CONVENTIONAL FORCE MILITARY DIMENSION TO MY

DUTIES, PARTICULARLY FROM THE PERSPECTIVE OF THE HOST COUNTRY LEADERS AS THEY VIEW THEIR HISTORICAL THREATS. HOWEVER, A LARGE PART OF THE PROBLEM WITH WHICH I DEAL IS NON-CONVENTIONAL, ON THE LOW INTENSITY/HIGH PROBABILITY CONFLICT END OF THE SPECTRUM.

THE TRIPLE ILLS OF INSURGENCY, ILLICIT DRUGS, AND TERROR FIND THEIR WELLSPRING OF SUPPORT IN SOCIAL DISCONTENT, ECONOMIC FRUSTRATION, AND POLITICAL DISENFRANCHISEMENT. THE ENEMIES OF DEMOCRACY ARE EVER EAGER TO EXPLOIT THESE PROBLEMS. FOR THE NON-IDEOLOGUE, THE DECISION TO TAKE UP ARMS IS USUALLY ONLY TAKEN AFTER THE ACCUMULATION OF MUCH PESSIMISTIC EVIDENCE. GIVEN THESE DIMENSIONS, THE INDICES WHICH I MONITOR ARE QUITE DIFFERENT FROM THOSE USED IN THE TRADITIONAL MILITARY SENSE.

II. THE MEASURE OF OUR NATIONAL INTERESTS

I WILL FAIL IN MY MISSION TODAY IF I DO NOT CONVEY TO YOU THE STRATEGIC IMPORTANCE OF THE LATIN AMERICAN REGION TO THE UNITED STATES, AND THE URGENT NEED TO BRING OUR STRATEGY IN BALANCE WITH OUR NATIONAL INTERESTS IN THE REGION.

A FRIENDLY LATIN AMERICA CONTRIBUTES TO OUR NATIONAL DEFENSE BY ALLOWING US TO MAINTAIN A NATIONAL SECURITY STRATEGY OF GLOBAL REACH. A SECURE AND PROSPEROUS HEMISPHERE INCREASES OUR CAPABILITY TO PROJECT POWER DURING A GENERAL WAR SCENARIO TO MORE THREATENED REGIONS. A DIRECT THREAT IN THIS HEMISPHERE MEANS THE UNITED STATES WOULD HAVE TO READJUST ITS WORLDWIDE COMMITMENTS -- PERHAPS SIGNIFICANTLY.

VIOLENCE AND INSURGENCIES COMBINE WITH ILLICIT DRUGS AND AGGRESSIVE TOTALITARIANISM TO MENACE OUR NATIONAL INTERESTS. FOR REASONS OF GEOGRAPHIC PROXIMITY AND THE DEEP TIES OF KINSHIP, CULTURE, AND ECONOMICS, EVENTS IN LATIN AMERICA RESONATE DEEPLY IN THE UNITED STATES, AND VICE VERSA. THIS IS ESPECIALLY TRUE IN THE BURGEONING ILLEGAL DRUG TRAFFIC INTO THE UNITED STATES, TWO-THIRDS OF WHICH (100% OF THE COCAINE) COMES FROM LATIN AMERICA. AS DRUGS UNDERMINE OUR SOCIETY, THEY FUNDAMENTALLY THREATEN THE MORAL AND INSTITUTIONAL BASES OF LATIN AMERICAN DEMOCRACY. WE ALSO SEE INSIDIOUS TACTICAL ALLIANCES BETWEEN NARCOTRAFFICKERS AND INSURGENTS, EVEN THOUGH THEY SOMETIMES WORK AT CROSS-PURPOSES. GUERRILLAS SELL PROTECTION TO NARCOTRAFFICKERS AND USE THE FUNDS TO BUY MILITARY EQUIPMENT. VAST QUANTITIES OF DRUG MONEY ARE USED TO BUY INTELLIGENCE, SUBORN GOVERNMENTS, CORRUPT MILITARY AND POLICE FORCES, AND INTIMIDATE JUDGES. THREATENED IS THE VERY INTERNATIONAL ORDER WHICH SUSTAINS THE DEMOCRATIC COMMUNITY OF NATIONS.

--ECONOMIC WELL-BEING. NOWHERE IS U.S.-LATIN AMERICAN INTERDEPENDENCE MORE KEENLY FELT THAN IN THE ECONOMIC WELL-BEING OF BOTH NORTH AND SOUTH IN THIS HEMISPHERE. THE U.S. DEPENDS UPON LATIN AMERICA ECONOMICALLY IN MANY WAYS. FOR EXAMPLE, STRATEGIC RAW MATERIALS SUCH AS ANTIMONY, MANGANESE, AND TIN; 96% OF OUR BAUXITE; AND 40% OF OUR PETROLEUM COME FROM LATIN AMERICA. OUR TRADE WITH LATIN AMERICA THIS DECADE HAS BEEN AS FOLLOWS:

EXPORTS		IMPORTS
1980	$38,718 (MILLION)	38,713
1985	31,019	49,096
1987	31,574	44,370

OUR EXPORTS TO LATIN AMERICA ARE APPROXIMATELY HALF OF THE TOTAL TO WESTERN EUROPE, AND ABOUT 40% OF THOSE TO THE ENTIRE DEVELOPING WORLD. IMPORTS FROM LATIN AMERICA EQUAL ALMOST TWO-FIFTHS OF THE TOTAL FROM WESTERN EUROPE, AND ONE-THIRD OF THOSE FROM THE DEVELOPING COUNTRIES. TOTAL U.S. EXPORTS WORLD-WIDE FOR 1988 ARE ESTIMATED TO BE $508 BILLION AND IMPORTS $597 BILLION.

THESE FIGURES DO NOT TELL THE ENTIRE STORY. AMERICAN BUSINESS HAS LOST $75 BILLION DOLLARS IN POTENTIAL EXPORT TRADE SINCE LATIN AMERICA'S RECESSION BEGAN IN 1981. AS MANY AS ONE MILLION AMERICAN JOBS MAY HAVE BEEN LOST AS A RESULT. MOREOVER, WERE THE REGION ABLE TO SET ITS ECONOMIC HOUSE IN ORDER AND RESUME SUSTAINED GROWTH, AMERICAN BUSINESS COULD BE LOOKING AT A MARKET POTENTIAL OF 550 MILLION PEOPLE AT THE TURN OF THE NEXT CENTURY.

MANY LATIN AMERICAN NATIONS TODAY, SUCH AS BRAZIL, ARGENTINA, CHILE, AND MEXICO, ARE IN THE FOREFRONT OF TECHNOLOGICAL ADVANCEMENT. THEY PRODUCE AN ARRAY OF SOPHISTICATED ITEMS, RANGING FROM ELECTRONICS TO COMPUTERS, AIRCRAFT, NUCLEAR POWER, AND MILITARY EQUIPMENT.

FIGURES FROM OUR DEPARTMENT OF STATE LAST YEAR SHOWED BRAZIL AS THE EIGHTH INDUSTRIAL ECONOMY IN THE WORLD AMONG THE FREE-MARKET ECONOMIES. PERU RECENTLY INAUGURATED ITS FIRST NUCLEAR REACTOR, THE RESULT OF A SOUTH-SOUTH TECHNOLOGY ASSISTANCE PROGRAM WITH ARGENTINA, ITSELF A LEADER IN THE THIRD WORLD ON NUCLEAR POWER.

--DEMOCRACY. OUR CONCERNS FOR DEFENSE, FOR ECONOMIC WELL-BEING, AND FOR AN INTERNATIONAL ORDER FREE OF COERCION ARE DIRECTLY LINKED TO OUR SUPPORT FOR DEMOCRACY IN THE HEMISPHERE. THE REMARKABLE SHIFT TO CIVILIAN DEMOCRATIC GOVERNMENTS IN THE PAST DECADE IS A STRATEGIC BREAKTHROUGH FOR THE UNITED STATES, BECAUSE DEMOCRATIZATION IS THE BEST DEFENSE AGAINST OUR ADVERSARIES. LET ME REITERATE WHAT I STATED TO THIS COMMITTEE LAST YEAR: "SOCIETIES THAT FULLY ENGAGE THE CREATIVE CAPACITY OF THEIR CITIZENS AND HOLD THE GOVERNORS ACCOUNTABLE TO THE GOVERNED CONTRIBUTE MORE TO THEIR OWN AND TO OUR NATIONAL SECURITY THAN DO AUTHORITARIAN GOVERNMENTS, WHOSE PREVIOUS CLAIM TO LEGITIMACY WAS BASED ON SHORT TERM SECURITY AND THEIR ANTICOMMUNISM."

NOT ONLY IS DEMOCRACY A BULWARK AGAINST TOTALITARIAN DOCTRINES; IT IS ALSO A MARVELOUS SYSTEM FOR EXPANDING THE COMMUNITY OF VALUES AND FOR NURTURING MAXIMUM COOPERATION AND ECONOMIC TRADE AMONG THE SOCIETIES OF THE HEMISPHERE. BY REDUCING THE PARANOIA WHICH DIVIDES US, DEMOCRACIES PROVIDE MECHANISMS FOR THE RESOLUTION OF CONFLICT. UNFORTUNATELY, POLITICAL DEMOCRACY FACES A PERILOUS FUTURE IN LATIN AMERICA BECAUSE IT IS NOW ASSOCIATED WITH ECONOMIC DEPRESSION.

--ILLEGAL IMMIGRATION. IT IS ESTIMATED THAT BETWEEN 1982 AND 1987 ABOUT 10 MILLION PEOPLE ENTERED THE USA LEGALLY AND ILLEGALLY. MOST OF THE RECENT IMMIGRANTS WERE FROM CENTRAL AMERICA AND ASIA. AS GENERAL PAUL GORMAN AND THE COMMISSION ON INTEGRATED LONG-TERM STRATEGY POINTED OUT LAST YEAR IN THEIR DRAFT PUBLICATION ON SECURITY ASSISTANCE, THIS IS THREE TIMES AS MANY IMMIGRANTS AS ENTERED THE USA DURING THE ENTIRE 40-YEAR PERIOD BETWEEN 1925 AND 1965.

THE ILLEGAL DIMENSION OF THE IMMIGRATION PHENOMENON IS LARGE. IN 1987 THERE WERE OVER 1.1 MILLION ILLEGAL ALIENS FROM MEXICO AND CENTRAL AMERICA ALONE ARRESTED INSIDE THE U.S. WE CAN ONLY GUESS THE NUMBER WHO WERE NOT DETECTED. ONE OTHER SET OF RECENT FIGURES I HAVE SEEN SHOWS THAT 50% OF THE ANNUAL POPULATION GROWTH IN THE USA IS THE RESULT OF ILLEGAL ALIENS. THE TENUOUS SITUATION IN CENTRAL AMERICA CREATES THE POTENTIAL FOR THE CONTINUED EXODUS OF LARGE NUMBERS OF NICARAGUANS, SALVADORANS, AND GUATEMALANS TO THE UNITED STATES. WHEN COUPLED WITH THE WELL-DOCUMENTED, LARGE FLOW OF ILLEGAL ALIENS FROM MEXICO, THE POLICY DILEMMA GROWS. THE CORRECT U.S. GOVERNMENT POLICY RESPONSE, HOWEVER, NEEDS TO BE OUTWARD-LOOKING, NOT INWARD. THAT IS, WE NEED TO RECOGNIZE THAT THE PROBLEM IS NOT SO MUCH ONE OF U.S. IMMIGRATION AS IT IS ONE OF LATIN EMIGRATION. ATTACKING THE CAUSES OF LATIN EMIGRATION OFFERS THE BEST PROSPECTS OF SUCCESS. THE PRESSURES OF POVERTY, LAWLESSNESS, AND VIOLENCE ARE WHAT PRODUCE LATIN EMIGRATION. THESE ARE THE ILLS WHICH U.S. GOVERNMENT POLICY SHOULD ADDRESS FOREMOST.

III. MAJOR EVENTS OF 1988

AGAINST THE BACKDROP PRESENTED ABOVE, I WOULD LIKE TO GIVE YOU A FLAVOR OF SOME OF THE ACTIVITY WHICH WE HAVE EXPERIENCED IN LATIN AMERICA SINCE MY TESTIMONY BEFORE THE COMMITTEE LAST YEAR. LET ME FIRST ADDRESS SOME OF THE MORE POSITIVE DEVELOPMENTS.

--ELECTIONS. FREE ELECTIONS WERE CONDUCTED IN ECUADOR WHERE A NEW PRESIDENT WAS CHOSEN; IN EL SALVADOR WHERE A NEW LEGISLATURE AND A FULL SLATE OF NEW MAYORS WERE ELECTED; AND, IN BRAZIL WHERE MAYORS WERE ELECTED IN 24 STATE-CAPITAL MUNICIPALITIES.

--EL SALVADOR. U.S. GOVERNMENT-SUPPORTED EFFORTS SHOWED CONTINUED PROGRESS IN THIS SMALL, WAR-TORN COUNTRY. NOTWITHSTANDING THE APPEARANCE OF SOME CRITICAL REVIEWS IN THE U.S. MEDIA, THE SALVADORANS AGAIN DEMONSTRATED CONVINCINGLY THEIR DESIRE FOR DEMOCRACY. SINCE THE MUNICIPAL ELECTIONS OF LAST MARCH, THE GUERRILLA INSURGENTS, THE FMLN, HAVE ASSASSINATED AT LEAST EIGHT NEWLY ELECTED MAYORS. INSURGENT TERROR ALSO CAUSED APPROXIMATELY 40 MAYORS TO RESIGN THEIR OFFICES. THIS MEANS THAT JUST UNDER 20% OF THE FREELY ELECTED MUNICIPAL LEADERS HAVE BEEN EITHER KILLED OR DRIVEN FROM OFFICE BY THE FMLN IN LESS THAN ONE YEAR'S TIME. MY ASSESSMENT IS THAT WHILE THE HEINOUS CRIMES OF THE FMLN ARE AN EFFECTIVE MEANS OF INTIMIDATION, THE INSURGENTS RISK ALIENATION FROM THE PEASANT-BASED ELECTORATE WHICH JUST BROUGHT THESE LOCAL LEADERS TO OFFICE. UNDER NEW LEADERSHIP, THE ARMED FORCES SHOWED GREATER AGGRESSIVENESS TOWARD YEAR'S END AND MAY BE ABLE TO BETTER SUPPORT THE GOVERNMENT'S EFFORTS TO SEPARATE THE FMLN FROM ITS SUPPORT BASES IN THE SALVADORAN POPULATION.

IN ADDITION TO THE MURDERS OF THE MAYORS, WE HAVE SEEN INCIDENTS OF RANDOM FMLN URBAN TERROR, WITH INCREASED BOMBINGS IN SAN SALVADOR AND A "DIPLOMATIC" CAMPAIGN CLEARLY INTENDED TO DISCREDIT THE NEW ARENA PARTY LEADERSHIP IN THE EYES OF WASHINGTON DECISION MAKERS.

ON BALANCE, IT IS IMPORTANT TO NOTE HOW FAR WE HAVE COME IN EL SALVADOR. NO LONGER DO THE INSURGENTS OPERATE WITH IMPUNITY IN BATTALION-SIZE FORMATIONS AS THEY DID AT THE BEGINNING OF THIS DECADE. NOW, AS A MATTER OF SURVIVAL, FMLN OPERATIONS ARE SQUAD-SIZE OR SMALLER. THE MILITARY SUPPORTS ITS DEMOCRATICALLY ELECTED LEADERS, AND ALTHOUGH ALLEGED DEATH SQUAD ACTIVITY HAS SHOWN SIGNS OF RESURGENCE IN THE LAST SEVERAL MONTHS, HUMAN RIGHTS ABUSES ARE ABERRATIONS TO THE PATTERN--NOT PER SE INDICATORS OF DEEP-SEATED EVIL.

--CHILE. IN CHILE DURING THE SUMMER PLEBISCITE, THE DEMOCRATIC OPPOSITION FORCES COALESCED AS THE GOVERNMENT OF CHILE HONORED ITS PROMISE AND PERMITTED SUFFICIENT POLITICAL FREEDOM TO ALLOW FOR A STRONG REJECTION OF PINOCHET'S CONTINUANCE IN POWER.

--DRUGS. ALTHOUGH THE SITUATION IS NOT BRIGHT, THIS PAST YEAR'S ANTI-NARCOTICS EFFORTS BY THE DEMOCRACIES IN THE ANDEAN RIDGE, AND THE GREATER ACKNOWLEDGMENT OF RESPONSIBILITY FOR THE PROBLEM BOTH BY THE U.S. GOVERNMENT AND LATIN NATIONS, REPRESENT DEVELOPMENTS WITH THE POTENTIAL FOR SIGNIFICANTLY HEIGHTENED PRESSURE ON NARCOTRAFFICKERS.

--DEMOCRACY. GUATEMALA, PERU, ECUADOR, AND ARGENTINA ALL SUFFERED THREATS OF COUPS D'ETAT OF VARYING SERIOUSNESS. HOWEVER, NONE OF THESE THREATS HAVE TO DATE ENJOYED WIDESPREAD SUPPORT AMONG MOST INFLUENTIAL SECTORS OF SOCIETY. PREDICTABLY, GIVEN THESE CONDITIONS, NONE WAS SUCCESSFUL.

THERE WERE NEGATIVE DEVELOPMENTS WITHIN THE REGION AS WELL.

--DEBT. THERE HAS BEEN AN INCREASED LATIN RECOGNITION OF THE NEED TO WORK THE DEBT PROBLEM DURING THE LAST YEAR. THIS HAS CONTRIBUTED TO HEIGHTENED STABILITY IN THE INTERNATIONAL BANKING AND ECONOMIC SYSTEM. I THINK THIS ALSO HELPED US AVOID ANY MAJOR, DEBT-RELATED ECONOMIC CATASTROPHE IN LATIN AMERICA DESPITE THE STILL GROWING REGIONAL DEBT TOTAL OF $420 BILLION AND ANNUAL SERVICE PAYMENTS OF $25 BILLION. NEVERTHELESS, MAKE NO MISTAKE: FOREIGN DEBT IS AN IMMEDIATE AND POTENTIALLY DEVASTATING PROBLEM FOR LATIN AMERICA, WITH A TRIP-WIRE ACTIVATOR, AND WORLD-WIDE IMPLICATIONS.

--PANAMA. NORIEGA WAS INDICTED IN U.S. COURTS AND FIRED BY PRESIDENT ERIC DELVALLE, WHILE THE BANKS CLOSED AND THE ECONOMY WENT INTO A FREE FALL. YET EVEN IN THE FACE OF A COUP ATTEMPT BY SOME OF HIS OFFICERS, NORIEGA SURVIVED. AT YEAR'S END, HE HAD STABILIZED HIS POSITION AND WAS MOVING ADROITLY TO MANIPULATE THE MAY 1989 PRESIDENTIAL ELECTIONS.

--CENTRAL AMERICA. IN NICARAGUA THE FAILURE OF THE APPROVAL OF LETHAL AID FOR THE MEMBERS OF THE NICARAGUAN RESISTANCE (CONTRAS) SERIOUSLY WEAKENED THEIR NEGOTIATING POSTURE

WITH THE SANDINISTAS. ADDITIONALLY, CONTINUED HONDURAN TOLERANCE OF CONTRA PRESENCE WAS INCREASINGLY CALLED INTO QUESTION BY SOME HONDURANS. IT IS IMPRESSIVE THAT THE RESISTANCE ENDURED AND MAINTAINED UNIT COHESION AND A LEVEL OF MILITARY EFFECTIVENESS.

--RADICALIZATION OF ELECTORATES. DEMOCRACY IN LATIN AMERICA IN THE FACE OF ECONOMIC DEPRESSION HAS BEGUN TO SHOW SIGNS OF RADICALIZATION THIS PAST YEAR. A MORE RADICAL WING OF MEXICO'S RULING PRI PARTY MOBILIZED SURPRISINGLY LARGER VOTES IN THE PRESIDENTIAL ELECTION. SIMILAR TRENDS CAN BE SEEN IN BRAZIL, ECUADOR, PERU AND EL SALVADOR IN THEIR ELECTORATE.

--INSURGENCY AND NARCOTRAFFICKING. OVERALL WE HAVE SEEN THE SOCIAL DYNAMICS OF THE DRUG PROCESS PRODUCE FEUDAL-LIKE RELATIONS: THE NARCOTRAFFICKER ASSUMES THE POSITION OF MANORIAL LORD IN COCA-GROWING REGIONS AND IT IS HE, NOT THE CENTRAL GOVERNMENT, WHO DISPENSES SOCIAL SERVICES AND PROTECTION TO THE PEASANT COMMUNITY. TO RAISE FUNDS FOR HIS CAUSE, THE INSURGENT OPERATES FOR HIRE TO PROTECT THE DRUG LORD'S ILLICIT COMMERCE.

--PERU. THE SENDERO LUMINOSO RESORTED TO INCREASING VIOLENCE NATIONWIDE, WITH EMPHASIS ON THE COCA-GROWING UPPER HUALLAGA VALLEY. INFLATION ROCKETED TO OVER 1700% WHILE THE ECONOMYSPIRALLED DOWNWARD. DEMOCRACY FACES ITS GREATEST CHALLENGE IN PERU.

--COLOMBIA. KIDNAPPINGS, SOARING VIOLENT CRIME, INTIMIDATION BY NARCOTRAFFICKERS, AMBUSHES OF GOVERNMENT TROOPS, AND INSURGENT ADVANCES INCREASINGLY THREATENED TO PLUNGE THE OLDEST LATIN

AMERICAN DEMOCRACY INTO ANARCHY. TO THEIR CREDIT, THE GOVERNMENT OF COLOMBIA AND THE SECURITY FORCES ARE INCREASINGLY COMMITTED TO THE WAR AGAINST THE TRAFFICKERS.

--ARGENTINA, BRAZIL, VENEZUELA AND URUGUAY. AS PRESSURES AGAINST THE NARCOTRAFFICKERS MOUNTED IN THE SOURCE COUNTRIES, NEW COUNTRIES FOUND THEIR TERRITORY VIOLATED AS THE ILLICIT DRUG TRADERS SEARCHED FOR LESS-RISKY BASES OF PRODUCTION AND TRANSSHIPMENT TO THE U.S. AND TO WESTERN EUROPE.

--CUBA. WITH CUBA'S ECONOMY IN DISASTER AND TOTALITARIANISM STIFLING AS EVER, WE SAW STRONG MOVES BY CASTRO IN THE DIRECTION OF STATESMANSHIP. HE MADE A MAJOR ENTRANCE ON THE LATIN SCENE DURING THE ECUADOR INAUGURATION OF PRESIDENT RODRIGO BORJA LAST SUMMER. THEN, HE BUILT ON THAT OPENING WHEN HE RETURNED FOR THE FIRST TIME IN 32 YEARS TO MEXICO, THE PLACE FROM WHICH HE LAUNCHED HIS REVOLUTION, TO PARTICIPATE IN PRESIDENT CARLOS SALINAS DE GORTARI'S INAUGURATION ON 1 DECEMBER. CASTRO'S CONTINUED CALLS TO THE GROUP-OF-EIGHT COUNTRIES FOR A BOYCOTT OF INTERNATIONAL DEBT PAYMENTS DEMONSTRATED HIS ENDURING RADICAL ANTI-U.S. PHILOSOPHY. INDICATIONS ARE THAT THE POLICY CHALLENGE FOR THE U.S. WILL BE HOW TO DEAL WITH A CASTRO WHO IS PERCEIVED AS MORE LEGITIMATE IN THE EYES OF CONTEMPORARY LATIN AMERICA AND WHO HAS BEEN ABLE TO RE-INTEGRATE HIMSELF INTO THE REGION, BUT WHO HAS NOT ALTERED HIS FUNDAMENTAL MARXIST-LENINIST REVOLUTIONARY PHILOSOPHY AND INTERVENTIONIST STRATEGY IN LATIN AMERICA.

--PERESTROIKA AND LATIN AMERICA. LESS AGGRESSIVE SOVIET BEHAVIOR IN THE THIRD WORLD, COMBINED WITH THE BANKRUPTCY OF SOCIALIST DOCTRINES FOR ECONOMIC DEVELOPMENT, CREATE RISKS AND OPPORTUNITIES FOR THE UNITED STATES IN LATIN AMERICA. NEEDED IS A CLEAR RECOGNITION BY U.S. AND LATIN LEADERS THAT THE SOVIET EXPANSIONARY DRIVE IS NEITHER BLUNTED NOR EXHAUSTED; RATHER IT SIMPLY MAY HAVE TAKEN ON A NEW FORM: EMPLOYING ECONOMIC, CULTURAL, AND DIPLOMATIC INSTRUMENTS WHICH PROMISE A HIGHER PAY-OFF THAN REVOLUTIONARY VIOLENCE. THIS ENHANCES THE SOVIET IMAGE AND GETS LATIN LEADERS ACCUSTOMED TO A BENIGN SOVIET FOOTHOLD IN THE REGION. MUCH LESS VISIBLY, HOWEVER, SOVIET SUPPORT OF THE SANDINISTA, SALVADORAN, AND OTHER INSURGENCIES CAN CONTINUE. GREATER VIGILANCE, NOT LESS, IS REQUIRED AS GORBACHEV SUCCEEDS IN PORTRAYING A LESS MENACING SOVIET UNION TO THE WORLD.

IV. VISION AND OPPORTUNITY

AS WE LOOK FORWARD TO THE NEXT FOUR YEARS, IT IS IMPORTANT THAT WE DEVELOP A COMPREHENSIVE STRATEGIC VISION FOR LATIN AMERICA. THAT VISION SHOULD BE ANCHORED IN AN UNDERSTANDING OF HOW LATIN AMERICA AFFECTS THE FULL SPECTRUM OF OUR NATIONAL INTERESTS: MILITARY DEFENSE, ECONOMIC WELL-BEING, INTERNATIONAL ORDER, AND THE PROTECTION OF OUR VALUES.

A PROSPEROUS DEMOCRATIC COMMUNITY OF NATIONS IN THIS HEMISPHERE IS INTEGRAL TO THAT VISION. EQUALLY IMPORTANT IS

DECISIVE AUTHORITY--WHICH IS CONSENSUS AND LEADERSHIP IN OUR GOVERNMENT--WITHOUT WHICH IT IS IMPOSSIBLE TO ACHIEVE OUR STRATEGIC VISION. NICARAGUA, CUBA, AND PANAMA WILL CONTINUE TO TEST OUR COMMITMENT TO WHAT FORMER SECRETARY OF STATE GEORGE SHULTZ CALLED "DEMOCRATIC SOLIDARITY". DEVELOPMENTS IN THESE COUNTRIES, ALONG WITH THE BATTLE FOR DEMOCRACY IN EL SALVADOR, WILL REMAIN IMPORTANT CHALLENGES TO US. HOWEVER, THEY MUST BE PUT INTO THE POLICY BALANCE ALONG WITH THE INTERNATIONAL DEBT PROBLEM, DRUGS, AND THE REQUIREMENT FOR INCREASED TRADE AND INVESTMENT TO RESTART ECONOMIC GROWTH THROUGHOUT LATIN AMERICA. THE ANARCHY WHICH THREATENS PERU AND COLOMBIA (WHERE IN 1987 THERE WAS A POLITICAL OR DRUG-RELATED MURDER EVERY 35 MINUTES) IS AN EQUALLY PRESSING CONCERN.

IT MAY VERY WELL BE THAT LATIN AMERICA WILL NOT EMERGE FROM ITS ECONOMIC CRISIS FOR ANOTHER 10 - 15 YEARS. THE REGION IS NOW GROWING AT A MERE 0.6 PERCENT PER YEAR, WHICH IS WHY NEW YORK BANKERS ARE NOT PREDICTING AN ATTRACTIVE INVESTMENT CLIMATE BEFORE THE YEAR 2000.

THE REMEDIES WILL REQUIRE PROMPT CONSENSUS ACTION AMONG DECISION MAKERS IN BOTH THE UNITED STATES AND LATIN AMERICA. YET, THERE APPEARS TO BE LITTLE SENSE OF URGENCY IN THE HEMISPHERE, AND LESS BEYOND, TO DEVELOP THE COMMON STRATEGIES NECESSARY TO PROMOTE REGIONAL ECONOMIC GROWTH--A GROWTH THAT IS IMPORTANT TO OUR EXPORTS AND EMPLOYMENT.

THERE IS ALSO A CLEAR THREAT THAT TODAY'S DIFFICULTIES IN SOME LATIN DEMOCRACIES MAY BE A PRELUDE TO ANOTHER ROUND OF AUTHORITARIANISM, SINCE MODERATE DEMOCRATIC REGIMES HAVE FAILED TO BRING PROMISED PROSPERITY. CYNICISM HAS REPLACED NASCENT CONFIDENCE IN POLITICAL LEADERSHIP, AND MORE RADICAL-POPULIST APPROACHES ARE GAINING APPEAL. SOME CURRENT AND PROSPECTIVE LEADERS WITHIN SOUTH AMERICA ARE ADOPTING STRIDENT, OFTEN ANTI-AMERICAN RHETORIC, AS THEY SEEK MASS APPROVAL. USUALLY THE MOVEMENT IS TO THE LEFT, BUT IN EL SALVADOR AND GUATEMALA IT IS TO THE RIGHT. THROUGHOUT THE HEMISPHERE, THE POPULARITY OF DEMOCRATIC GOVERNMENTS IS BEING ERODED BY REQUIRED ECONOMIC REFORM PROGRAMS INSTITUTED BY INTERNATIONAL FINANCIAL INSTITUTIONS AND SUPPORTED BY US, AND BY THE FAILURE OF ECONOMIC AND SOCIAL PROGRESS TO MATCH STRIDES IN THE POLITICAL ARENA.

IN 1989 AND 1990 A NUMBER OF ELECTIONS WILL TEST THE DEMOCRATIC IDEAL BY BRINGING TO POWER EITHER A NEW BRAND OF POPULISM OR OF RESPONSIBLE LEADERSHIP. LATIN AMERICA IN THE NEXT TEN YEARS MAY INDEED DEVELOP AS A VARIANT OF THE INDIAN SUBCONTINENT: VERY MODERNIZED AND PROSPEROUS SECTORS, CO-EXISTING WITH SECTORS OF GROSS BACKWARDNESS AND POVERTY. THE PAUPERIZATION OF THE VAST LOWER CLASSES AND INCREASINGLY OF THE MIDDLE CLASSES IS A DISTURBING TREND. CHILE AND A FEW MORE COUNTRIES ARE BRIGHT SPOTS IN THIS SENSE, BUT THE POTENTIAL FOR NEW OUTBREAKS OF SOCIAL CONFLICT IN LATIN AMERICA IS GREATER NOW THAN AT ANY TIME IN THE LAST GENERATION. WITHOUT THE TONIC OF ECONOMIC GROWTH, DEMOCRACY FACES A GRIM FUTURE.

V. ACTION PLAN.

IMPROVED DIALOGUE. ADJUSTING OUR PRIORITIES IS THE NECESSARY FIRST STEP IN ACHIEVING OUR HEMISPHERIC GOALS. WE MUST RENEW EMPHASIS ON THE CORE ELEMENTS OF THE U.S.-LATIN AMERICAN RELATIONSHIP, STRENGTHENING THE SOCIAL, ECONOMIC, AND POLITICAL BASES OF DEMOCRACY. PROMOTING ECONOMIC GROWTH AND FIGHTING DRUG TRAFFICKING ARE FUNDAMENTAL TO THE TASK OF DEMOCRACY. ADJUSTING PRIORITIES WILL REQUIRE A CHANGE IN THE TONE OF OUR MESSAGES TO PROMOTE DIALOGUE. IF WE ARE NOT CAREFUL, WE CAN DISTANCE OURSELVES FROM LATIN AMERICAN DEMOCRACIES AND DISTRACT OURSELVES FROM OPPORTUNITIES WHICH COULD OTHERWISE STRENGTHEN THE ECONOMIES AND SOCIETIES OF ALL OF THE AMERICAS, INCLUDING THE UNITED STATES.

AS WE MOVE TOWARD INCREASED COOPERATION AND DIALOGUE, THE HOPE IS THAT THE LATINS WILL REPLY IN KIND, MAKING OUR EFFORTS IN THE AREAS OF NARCOTICS, INTERNATIONAL DEBT PAYMENTS, ILLEGAL IMMIGRATION, AND ENVIRONMENTAL IMPROVEMENT MORE PRODUCTIVE. WE LOOK FORWARD AS WELL TO GREATER MULTILATERAL COOPERATION IN DEVELOPING AND STRENGTHENING THE DEMOCRATIC FOUNDATIONS OF NICARAGUA AND PANAMA. AND WE RECOGNIZE THAT, ON THE HOME FRONT, WE MUST WORK TO HAVE ENLIGHTENMENT AND CONCERN REPLACE INDIFFERENCE AND MISTRUST IN THE WAY WE OFTEN VIEW LATIN AMERICA. THE DEMOCRATIC RENAISSANCE UNDERWAY IN LATIN AMERICA, WHICH WE DIRECTLY CORRELATE AS BENEFICIAL TO OUR NATIONAL SECURITY, IS FREQUENTLY MET WITH EITHER IGNORANCE OR SKEPTICISM AT HOME THE CONGRESS CAN HELP TO EDUCATE THE AMERICAN PUBLIC AS TO THE REAL STAKES IN LATIN AMERICA.

CENTRAL AMERICA. THE GREATEST CHALLENGE FOR THE U.S. GOVERNMENT IS TO DEMONSTRATE OUR ENDURING COMMITMENT TO THIS TROUBLED REGION. CONSISTENT RESOURCE SUPPORT FOR DEMOCRACY, HUMAN RIGHTS, AND PEACE UNDERPINS OUR POLICY OF DEVELOPING HUMAN POTENTIAL IN CENTRAL AMERICA.

NICARAGUA REMAINS THE LARGEST HURDLE TO THE SUCCESSFUL PROSECUTION OF U.S. STRATEGY IN CENTRAL AMERICA. AIDED BY MASSIVE ECONOMIC AND MILITARY HARDWARE INJECTIONS FROM THE SOVIET UNION AND WITH CONTINUED AID FROM CUBA, THE SANDINISTAS HAVE MADE A MOCKERY OF THE CENTRAL AMERICA PEACE PROCESS WITH THEIR COSMETIC, PUBLIC-RELATIONS APPROACH TO FULFILLING THE PROVISIONS OF THE ESQUIPULAS II PEACE ACCORDS. OUR GOALS NEED TO BE: TO WORK WITH THE CENTRAL AMERICAN DEMOCRATIC PRESIDENTS; AND, TO WORK WITH THE U.S. CONGRESS TO FORGE EFFECTIVE, DURABLE, BIPARTISAN POLICY DESIGNED TO SECURE FULLY OUR INTERESTS OF PEACE THROUGH DEMOCRACY IN CENTRAL AMERICA. I AM CONVINCED THAT THERE ARE WAYS TO ACHIEVE THESE GOALS AND STILL NOT ABANDON THE NICARAGUAN RESISTANCE TO SANDINISTA REPRISAL.

AS WE WRESTLE WITH NEW IDEAS FOR MEETING THE CHALLENGES IN CENTRAL AMERICA, WE WOULD DO WELL TO DUST OFF THE KISSINGER COMMISSION BIPARTISAN REPORT ON CENTRAL AMERICA OF 1984. MANY OF ITS RECOMMENDATIONS, PARTICULARLY THOSE ON THE NEED FOR ECONOMIC, EDUCATIONAL , AND SECURITY ASSISTANCE ARE AS VALID TODAY AS THEY WERE FIVE YEARS AGO, INCLUDING THE POINTS THE COMMISSION MADE REGARDING PANAMA.

PANAMA. ALTHOUGH PANAMA IS STILL OF MAJOR STRATEGIC IMPORTANCE, AND POLITICO-MILITARY EVENTS IN THAT COUNTRY HAVE A SIGNIFICANT IMPACT ON U.S. INTERESTS WITHIN THE REGION, WE SHOULD NOT ALLOW THE CURRENT CRISIS TO DOMINATE OUR OVERALL CONCERNS FOR LATIN AMERICA. WE NEED TO EXAMINE ALTERNATE WAYS TO RESOLVE THE PROBLEM. THE KISSINGER COMMISSION NOTED IN REFERENCE TO PANAMA THAT: "...ANY THREAT TO THE POLITICAL SECURITY OF THAT COUNTRY AND TO THE MAINTENANCE OF FRIENDLY RELATIONS WITH THE UNITED STATES AUTOMATICALLY CONSTITUTES A STRATEGIC THREAT." AS WE GAUGE THE DEPTH OF OUR FUTURE COMMITMENT TO HELP BRING DEMOCRACY TO PANAMA, NOW THREE MONTHS AWAY FROM WHAT COULD EASILY BE A SHAM DEMOCRATIC ELECTION, WE WOULD DO WELL TO KEEP THIS THOUGHT IN MIND. IN THIS RESPECT, WE NEED TO BRING MAXIMUM INTERNATIONAL ATTENTION TO BEAR ON THE BLEAK HUMAN RIGHTS SITUATION IN PANAMA IN THE HOPES OF FORCING HONEST ELECTIONS IN MAY. ADDITIONALLY, WHEN PANAMA CORRECTS ITS COURSE, THE U.S. GOVERNMENT SHOULD BE READY TO OFFER A COMPREHENSIVE, LONG-TERM ASSISTANCE PROGRAM DESIGNED TO REPAIR THE MASSIVE ECONOMIC DAMAGE WHICH NORIEGA HAS PRECIPITATED ON THAT NATION. LEST OUR INTENTIONS ARE MISUNDERSTOOD, AND TO AVOID MISINFORMATION ON THE SUBJECT, WE ALSO SHOULD CONTINUE TO PUBLICIZE OUR PLANS TO IMPLEMENT FULLY THE CARTER-TORRIJOS TREATIES.

EL SALVADOR. WE MUST MAINTAIN OUR SUPPORT FOR SALVADORAN DEMOCRACY WHETHER THE CHRISTIAN DEMOCRATS OR THE ARENA PARTY WINS THE PRESIDENTIAL ELECTIONS IN MARCH. CONTINUATION OF THE PROGRESS

MADE UNDER PRESIDENT JOSE NAPOLEON DUARTE IN THE AREAS OF POLITICAL AND CIVIL LIBERTIES MUST BE FIRST PRIORITY OF THE NEW PRESIDENT IN EL SALVADOR. ANY ACTIONS TO REDUCE OUR SUPPORT SHOULD BE BASED ON DEMONSTRATED FAILURE TO SUPPORT FULLY THESE CRUCIAL ADVANCES.

A STUDY WHICH MY HEADQUARTERS RECENTLY COMPLETED WITH ASSISTANCE FROM KEY U.S. GOVERNMENT AGENCIES INVOLVED IN EL SALVADOR, AND THE SALVADORAN ARMED FORCES LEADERSHIP, RECOMMENDED THE COUNTRY RECEIVE $97.5 MILLION A YEAR JUST TO SUSTAIN THE MILITARY STRATEGY AT CURRENT LEVELS OF OPERATION. THEIR NEEDS WILL SIGNIFICANTLY INCREASE IN THE NEXT FEW YEARS, SINCE THEIR EQUIPMENT IS AGING AND RECEIVING HEAVY USE. FUNDING BELOW $90 MILLION (THE FY 1989 LEVEL IS $85 MILLION) WILL CONTINUE TO PROVIDE FOOD, AMMUNITION AND FUEL, BUT IT WILL NOT REPLACE COMBAT LOSSES AND ATTRITION OF HELICOPTERS, SMALL ARMS, AND COMMUNICATIONS GEAR.

HONDURAS. THIS FRAGILE DEMOCRACY REMAINS CRITICALLY IMPORTANT TO OUR PURSUIT OF A COHERENT STRATEGY IN CENTRAL AMERICA. IT ALSO FACES A PRESIDENTIAL ELECTION DURING THIS YEAR, AND WE MAY SEE HONDURAN NATIONALISM MANIFEST ITSELF PRIOR TO THE ELECTIONS IN THE FORM OF SOME ANTI-U.S. SENTIMENT. CALLS FOR REDUCTIONS IN OUR FORCE PRESENCE IN HONDURAS AND DEMANDS FOR A LESSENING OF OUR COMBINED EXERCISES WITH THE HONDURAN ARMED FORCES ARE EXPECTED FROM A MINORITY. WORKING WITH THE DEMOCRATICALLY-ELECTED GOVERNMENT, OUR COMMITMENT TO THE SECURITY AND THE DEVELOPMENT OF THIS COUNTRY MUST REMAIN STRONG, AND IT MUST BE RESOURCED

ACCORDINGLY. FROM A REGIONAL PERSPECTIVE, THE WORST THING WHICH WE COULD DO WOULD BE TO REDUCE EITHER OUR PRESENCE OR EXERCISE LEVEL WITHOUT SECURING FOR HONDURAS (AND THE OTHER REGIONAL DEMOCRACIES) DEFINITIVE EVIDENCE OF SANDINISTA DEMILITARIZATION AND A REVERSAL OF ITS SUBVERSIVE FOREIGN POLICY.

SOUTH AMERICA

I AM CONVINCED OF THE NEED FOR A BALANCED POLICY TO SECURE OUR NATIONAL INTERESTS SOUTH OF PANAMA. IN A BROAD SENSE, OUR CHALLENGE IN SOUTH AMERICA IS TO AVOID DEBT DEFAULT AND EXTREME POLITICAL SWINGS. WE NEGLECT DEVELOPMENTS THERE AT GREAT RISK. THE THEMES ARE PENETRATING: ENVIRONMENTAL DESTRUCTION AND DRUG PRODUCTION ARE THE ONES WHICH IMPACT MOST KEENLY ON THE UNITED STATES. HOWEVER, THE PROBLEMS ARE ALSO SEVERE FOR DEMOCRATIC COUNTRIES WHICH CAN NOT PROVIDE JOBS, BECAUSE THEY HAVE INHERITED DEBT SERVICE PAYMENTS TOO HIGH TO ALLOW FOR ECONOMIC GROWTH. ADDITIONALLY, THE REALITY OF INSURGENT VIOLENCE HAS A POTENTIALLY DEVASTATING IMPACT ON SEVERAL OF THE DEMOCRACIES, PARTICULARLY IN THE ANDEAN REGION.

IT IS TRUE THAT THE ACTIONS OF THE UNITED STATES AGAINST ILLEGAL DRUGS IN OTHER COUNTRIES CAN NEVER SUCCEED UNLESS OUR DOMESTIC APPETITE FOR THESE POISONS IS ELIMINATED OR GREATLY REDUCED. NONETHELESS, IT IS CRITICAL THAT WE DO EVERYTHING WE CAN IN THE INTERNATIONAL ARENA TO CURB CROP GROWTH AND INTERDICT DRUG PRODUCTION AND SHIPMENT. HERE, IT IS IMPORTANT TO FOCUS ON THE CRITICAL NODES OF NARCOTRAFFICKER ACTIVITY: THE CASH AND MONEY

LAUNDERING DIMENSION REPRESENT UNIQUE LAW ENFORCEMENT AND INTELLIGENCE OPPORTUNITIES FOR IDENTIFYING AND INTERCEPTING CASH FLOWS. PRECURSOR CHEMICALS, THE DRUG LEADERSHIP, ROUTES OF INGRESS AND EGRESS ARE OTHER NODES ON WHICH WE COULD PRODUCTIVELY FOCUS INTERAGENCY COOPERATIVE EFFORTS TO ATTACK NARCOTRAFFICKER VULNERABILITIES.

OVERALL, I SEE A NEED FOR A COMPREHENSIVE BIPARTISAN REVIEW OF THE ACTIONS WHICH SHOULD BE TAKEN, SIMILAR TO WHAT THE KISSINGER COMMISSION DID IN CENTRAL AMERICA. A REVIEW FOR THE SOUTHERN CONE COUNTRIES AND ANOTHER FOR THE ANDEAN RIDGE COUNTRIES MIGHT BE THE MOST PRODUCTIVE WAY TO PROCEED.

ARGENTINA. ARGENTINE DEMOCRACY HAS SHOWN AN ENDURANCE WHICH FEW WOULD HAVE PREDICTED. THE MILITARY HAVE DEMONSTRATED THEIR SUPPORT FOR DEMOCRACY UNDER PRESIDENT RAUL ALFONSIN AND ALSO FOR IMPROVED INTERACTION WITH THE U.S. MILITARY. THE POLICY CHALLENGE OF THE U.S. COULD WELL BE BUFFERING THE IMPACT OF A DEMOCRATICALLY ELECTED POPULIST PRESIDENT WITH STRONG LEFTIST SUPPORT. OUR SECURITY INTERESTS WOULD BEST BE SERVED IF WE COULD OPEN MEANINGFUL, SMALL SCALE, MILITARY-TO-MILITARY CONTACTS SUCH AS LOGISTICS AND MAINTENANCE TRAINING TEAMS; COMPUTER WARGAMING AND COMMAND POST COMBINED EXERCISES. A SECURITY ASSISTANCE ALLOCATION AT THIS TIME OF APPROXIMATELY $10 MILLION WOULD ALSO GO A LONG WAY TOWARD PROMOTING A MILITARY WHICH CONTINUES TO SUPPORT DEMOCRATIC CIVILIAN CONTROL.

IN CHILE WE HAVE AN OPPORTUNITY TO MORE POSITIVELY RECOGNIZE THE COUNTRY'S MOVE TOWARD DEMOCRACY AND THE PRESIDENTIAL ELECTIONS SCHEDULED FOR DECEMBER OF THIS YEAR--AN ELECTION WHICH WILL RETURN POWER TO A CIVILIAN EXECUTIVE. THE U.S. CONGRESS CAN HELP BY REMOVING OR REDUCING SOME OF THE RESTRICTIONS ON OUR MILITARY-TO-MILITARY PROGRAMS AND CONTACTS WITH THE CHILEAN ARMED FORCES. OUR EFFORTS WOULD FOCUS ON SECURING MILITARY SUPPORT DURING CHILE'S DEMOCRATIC TRANSITION. BY VIRTUE OF OUR CONTACTS, WE WOULD HELP TO BUFFER WHATEVER ROUGH SPOTS THERE MIGHT BE DURING THIS PROCESS. THIS IS ONE POTENTIALLY VERY EFFECTIVE WAY IN WHICH THE U.S. SOUTHERN COMMAND CAN PROMOTE THE DEMOCRATIC PROCESS IN CHILE.

ANDEAN RIDGE

FOREMOST ON THE AGENDA IN THIS MAJOR COCA-PRODUCING REGION IS THE NEED FOR THE DEVELOPMENT OF A COHERENT U.S. GOVERNMENT STRATEGY. THE DEMOCRACIES OF BOLIVIA, COLOMBIA, ECUADOR, PERU, AND VENEZUELA ARE CHALLENGED BY DIFFERING MIXES OF ECONOMIC DIFFICULTIES, THE EFFECTS OF THE ILLICIT DRUG TRADE, AND INSURGENT VIOLENCE AND TERROR. DEVELOPMENTS IN THIS REGION DIRECTLY CHALLENGE TWO OF OUR MOST IMMEDIATE CONCERNS, THE SECURITY OF DEMOCRACIES IN THE HEMISPHERE AND THE FLOW OF ILLEGAL DRUGS INTO THE U.S. I DO NOT KNOW IF THERE IS, IN FACT, AN INTERVENTIVE SOLUTION FOR THE DRUG PROBLEM. HOWEVER, IF WE ARE TO HAVE ANY CHANCE OF SUCCESS AT THE SOURCE, WE MUST ATTACK THE PROBLEM AS ONE PART OF A COMPLEX SOCIAL, CULTURAL, AND ECONOMIC PHENOMENON, WHICH BEGINS LARGELY IN THE ANDEAN RIDGE.

IT IS IN THE ANDEAN RIDGE WHERE THE INTERPLAY OF DRUGS AND INSURGENCY IS STRONGEST AND WHERE WE MIGHT, WITH THE HELP OF CONGRESS, DEVELOP EFFECTIVE WAYS TO STRENGTHEN DEMOCRACY. U.S. FINANCIAL AID TIED TO DEMONSTRATED ACTION AGAINST DRUG CULTIVATION AND TRAFFICKING IS ONE GENERAL APPROACH WHICH I THINK IS WORTH PURSUING.

SECURITY ASSISTANCE

IF THE DEVELOPMENT OF ALLIED THIRD WORLD MILITARIES WHICH ARE BOTH COMPETENT AND SUPPORTIVE OF LEGITIMATELY ELECTED GOVERNMENTS IS IN THE INTEREST OF THE UNITED STATES, THEN YOU MUST UNFETTER THE SECURITY ASSISTANCE PROGRAM. IN ADDITION WE NEED SOME STABILITY IN THE APPROPRIATIONS. WITHOUT BEING ABLE TO PREDICT SA LEVELS, NEITHER WE NOR HOST COUNTRY MILITARIES CAN PLAN EFFECTIVELY FROM ONE YEAR TO THE NEXT. THE IMPACT OF THIS WOULD BE FAR LESS WERE IT NOT FOR EARMARKING, LEGISLATIVE RESTRICTIONS AND, MOST DISAPPOINTING, THE LACK OF FLEXIBILITY TO SUPPORT OUR POLICY INITIATIVES.

THE TOTAL MILITARY ALLOCATION FOR SECURITY ASSISTANCE TO THE SOUTHERN COMMAND REGION REPRESENTS ONLY ABOUT THREE PERCENT OF THE WORLD-WIDE TOTAL. THIS UNDERFUNDING IS DEVASTATING AND IS EXACERBATED BY EARMARKING. IN THESE DAYS OF SHRINKING OVERALL FUNDS, EARMARKING TIED TO A PREVIOUS YEAR'S DOLLAR-LEVEL HURTS DISPROPORTIONATELY. IN FY 1985 ONLY 46% OF ALL "MAP" DOLLARS WERE EARMARKED FOR SPECIFIC COUNTRIES. BY FY 1989 THIS TOTAL HAS GROWN TO ALMOST 94%. ANOTHER MEASURE IS THAT WHILE IN FY 1985

U.S. SECURITY ASSISTANCE WENT TO 50 NATIONS. IN FY 1989, WE HAVE ACCESS TO ONLY 30 VIA THIS CHANNEL. FOR ME, THIS MEANS THAT MY SMALL BUT IMPORTANT COUNTRY PROGRAMS HAVE BEEN SQUEEZED EVEN FURTHER.

THERE IS ALSO LITTLE CAPABILITY WITHIN THE SYSTEM TO ADAPT TO THE TYPE OF THREAT WHICH WE FACE IN LATIN AMERICA. IN THIS ENVIRONMENT, IF THE FIGHTING STARTS, IT MEANS THAT YOU HAVE ALREADY GONE A DISTANCE TOWARD LOSING THE WAR. FOR THIS REASON, ENCOURAGING COUNTRIES TO DEVELOP EFFECTIVE COUNTER-INSURGENCY STRATEGIES, A DELICATE AND CHALLENGING PROCESS, BECOMES AS IMPORTANT AS PROVIDING ARMS AND EQUIPMENT. POLICIES THAT MAKE SENSE WHEN WE ARE TALKING ABOUT SELLING MODERN, MAJOR, AND HIGHLY SOPHISTICATED WEAPONS SYSTEMS TO OTHER COUNTRIES QUICKLY LOSE THEIR LOGIC WHEN APPLIED TO LOW-TECHNOLOGY, AND OFTEN (FOR OUR PURPOSES) OBSOLETE MILITARY EQUIPMENT.

POLICE TRAINING. THERE IS A CONTINUING NEED FOR RELAXATION OF SECTION 660 OF THE FOREIGN ASSISTANCE ACT, WHICH PRECLUDES U.S. MILITARY PERSONNEL FROM TRAINING HOST COUNTRY POLICE FORCES. WE SHOULD BE ALLOWED TO TRAIN POLICE PERSONNEL IN ANY COUNTRY WHICH HAS AN ELECTED DEMOCRATIC GOVERNMENT AND DOES NOT DEMONSTRATE A CONSISTENT PATTERN OF VIOLATIONS OF INTERNATIONALLY RECOGNIZED HUMAN RIGHTS. THIS WOULD ALLOW US INTER ALIA TO INTERFACE MORE EFFECTIVELY WITH HOST COUNTRY POLICE, WHICH ARE OFTEN PARA-MILITARY FORCES WHICH ARE CRITICAL ASSETS FOR PROVIDING PUBLIC SECURITY WHEN COUNTERING INSURGENCY.

ANOTHER INITIATIVE WHICH I WOULD PROPOSE IS TO PROVIDE EXCESS DEPARTMENT OF DEFENSE MATERIEL, AT NO COST, TO HELP COMBAT DRUGS AND INSURGENCY. CONGRESSIONAL AUTHORITY SIMILAR TO THAT GRANTED UNDER SECTION 516 OF THE FOREIGN ASSISTANCE ACT, WHICH ALLOWS FOR THE MODERNIZATION OF THE ARMED FORCES OF THE NATO SOUTHERN FLANK COUNTRIES, IS WHAT IS REQUIRED. HOWEVER, THIS MATERIEL SHOULD INCLUDE THE ITEMS NEEDED IN THIS REGION--EQUIPMENT SUCH AS UNIFORMS, TENTS, MEDICAL SUPPLIES AND EQUIPMENT, TACTICAL RADIOS, SMALL ARMS , AMMUNITION, HELICOPTERS, RIVERINE CRAFT, COUNTER-INSURGENCY AIRCRAFT, CONSTRUCTION EQUIPMENT AND RUGGED TERRAIN VEHICLES. COUNTRIES WOULD PAY TRANSPORTATION COSTS, AND AN UPPER LIMIT SHOULD BE ESTABLISHED ON THE AMOUNT OF MATERIEL TRANSFERRED IN ANY ONE YEAR.

LETHAL AID SANCTIONS AGAINST GUATEMALA. THIS CENTRAL AMERICAN COUNTRY IS NOW THREE YEARS INTO ITS DEMOCRATIC EXPERIMENT AND IS STILL AT WAR AGAINST CUBAN SUPPORTED INSURGENTS. IT HAS EARNED A MODIFICATION, IF NOT A REPEAL, OF THE CONGRESSIONALLY IMPOSED SANCTION WHICH PRECLUDES THE PURCHASE OF WEAPONS AND AMMUNITION WITH U.S. SECURITY ASSISTANCE DOLLARS. BECAUSE OF THESE RESTRICTIONS, THE GUATEMALAN ARMED FORCES CANNOT DO BASIC THINGS SUCH AS ADEQUATELY PROTECTING MEDEVAC HELICOPTERS AS THEY EXTRACT WOUNDED SOLDIERS. THEY ALSO CANNOT BUY ENGINES FOR THE A-37 AIRCRAFT WHICH PROVIDE CLOSE-AIR SUPPORT TO THEIR GROUND COMBAT UNITS. IT HAS BEEN THREE YEARS SINCE WE REINSTATED OUR SECURITY ASSISTANCE TO THIS COUNTRY. THE GUATEMALAN ARMED FORCES HAVE RESPONDED TO OUR INCENTIVES, HAVE IMPROVED THEIR HUMAN RIGHTS PERFORMANCE, AND HAVE EARNED A LIFTING OR A LESSENING OF OUR SANCTIONS.

MILITARY ACTIVITIES. I NEED CONTINUING SUPPORT OF THE CONGRESS FOR MY JCS EXERCISE ACTIVITY. AFTER SECURITY ASSISTANCE, THIS REPRESENTS A MAJOR TOOL FOR CARRYING OUT MY OVERALL MILITARY STRATEGY OF MAINTAINING A SECURE SOUTH FLANK. IN HONDURAS AND IN AN INCREASING NUMBER OF OTHER COUNTRIES, THESE EXERCISES ENHANCE DETERRENCE BY SIGNALLING A FIRM COMMITMENT TO THE AREA, AND HELP TO IMPROVE HOST COUNTRY READINESS. THEY ALSO PROVIDE A VALUABLE SOURCE OF TRAINING FOR THE U.S. MILITARY.

THERE ARE A NUMBER OF OTHER IMPORTANT ACTIVITIES WHICH ALL ADVANCE OUR SECURITY INTERESTS WHILE PROVIDING VALUABLE TRAINING FOR OUR MILITARY PERSONNEL. I WOULD MENTION THE SCHOOL OF THE AMERICAS; INTELLIGENCE SHARING ACTIVITIES; DEPLOYMENTS FOR TRAINING, BOTH OPERATIONAL AND LOGISTICAL; UNIT AND PERSONNEL EXCHANGE PROGRAMS; INSTRUCTOR AND SUBJECT MATTER EXPERT EXCHANGES; AND HUMANITARIAN AND CIVIC ASSISTANCE INITIATIVES, ALL OF WHICH CONTRIBUTE TO REGIONAL MILITARY STABILITY. THE SERVICES' POSITIVE CONTRIBUTIONS IN EACH OF THESE LOW VISIBILITY BUT HIGH IMPACT PROGRAMS HAVE BEEN GROWING, AND I AM CONTINUALLY REASSURED BY THEIR COMMITMENT TO OUR SOUTHERN FLANK.

HUMANITARIAN AND CIVIC ASSISTANCE PROGRAMS. WHILE MENTIONED ABOVE, THIS SUBJECT DESERVES ADDITIONAL COMMENT. FOR 1985 AND 1986 OUR ONLY AUTHORITY TO FUND HUMANITARIAN AND CIVIC ACTION ACTIVITIES WAS THE STEVENS AMENDMENT TO THE DOD APPROPRIATIONS ACT. THIS AMENDMENT ALLOWED FOR THE USE OF EXERCISE FUNDS FOR HUMANITARIAN AND CIVIC ASSISTANCE ACTIVITIES WHICH WERE INCIDENTAL TO OUR EXERCISES. BASICALLY, HOWEVER, THESE ACTIVITIES WERE

RELEGATED TO A SMALL, IF EFFECTIVE, GIVE-AWAY PROGRAM. THE NEEDS FOR HUMANITARIAN AND CIVIC ASSISTANCE IN THIS LARGELY UNDERDEVELOPED PART OF THE WORLD FAR EXCEEDED OUR AUTHORIZED ACTIVITIES.

WE GAINED A MAJOR IMPROVEMENT IN OUR HUMANITARIAN CAPABILITY WHEN CONGRESS ENACTED SECTION 401 OF TITLE 10, U.S. CODE AS PART OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FY 87. THIS ENABLED US TO CARRY OUT HUMANITARIAN AND CIVIC ASSISTANCE ACTIVITIES "IN CONJUNCTION" WITH AUTHORIZED OPERATIONS, PROVIDED THESE ACTIVITIES PROMOTE U.S. GOVERNMENT AND HOST COUNTRY SECURITY INTERESTS AND THE READINESS SKILLS OF THE U.S. MILITARY WHO PARTICIPATE IN THE ACTIVITIES.

THIS PROGRAM WAS FUNDED IN EXCESS OF $2.5 MILLION IN FY 88, A TREMENDOUS WINDFALL FOR SOUTHERN COMMAND. WE NOW HAVE THE CAPABILITY TO USE BOTH THE HUMANITARIAN AND CIVIC ASSISTANCE PROGRAM AND THE STEVENS AMENDMENT TO INCREASE OUR POSITIVE IMPACT ON THE LOCAL COMMUNITY WHERE WE TRAIN. THE LEVELS OF FUNDING WITH WHICH WE ARE DEALING ARE STILL VERY SMALL (THE ENTIRE DOD AUTHORITY FOR FY 87-91 IS $16.4 MILLION), PARTICULARLY WHEN MEASURED AGAINST THE GAINS IN TERMS OF INFRASTRUCTURE DEVELOPMENT IN THE HOST COUNTRIES. I WANT THE COMMITTEE AND THE CONGRESS TO KNOW HOW VALUABLE THE NEW TITLE 10 AUTHORITIES ARE TO MY EFFORTS IN SOUTHCOM.

KEY PROGRAMS. I NEED SIMPLE AND ECONOMICAL EQUIPMENT TO BETTER ACCESS MY THEATER, PARTICULARLY IN THE AIR AND ON WATER. DEEP DRAFT BOATS AND C-130 AIRCRAFT CANNOT REACH LARGE SECTIONS OF

LATIN AMERICA PLAGUED BY NATURAL DISASTERS OR DOMINATED BY INSURGENCIES AND DRUG LORDS. ONLY EIGHT PERCENT OF THE 10,000 PLUS AIRFIELDS WHICH EXIST IN LATIN AMERICA ARE USABLE TO THE C-130 AIRCRAFT. THE SHORT TAKE OFF AND LANDING (STOL), C-27 AIRCRAFT WILL OPEN ALMOST ALL (92%) OF WHAT IS NOT ACCESSIBLE TO ME NOW. SIMILARLY, MUCH OF THE 50,000 MILES OF INLAND WATERWAYS AND 35,000 MILES OF COASTLINE IN LATIN AMERICA ARE INACCESSIBLE GIVEN MY CURRENT FORCE CAPABILITIES. CONTINUED SUPPORT FOR NAVY SPECIAL WARFARE UNITS WILL IMPROVE OUR CAPABILITY TO ASSIST HOST COUNTRY RIVERINE AND COASTAL DEFENSE FORCES. ANOTHER INITIATIVE, THE CARIBBEAN BASIN RADAR NETWORK (CBRN) WILL ENHANCE REGIONAL SECURITY AND OFFERS THE POTENTIAL FOR GREATER HOST COUNTRY INVOLVEMENT IN OUR COUNTER DRUG EFFORTS. THIS RADAR NETWORK WILL ALLOW US TO IDENTIFY AND TRACK SMALL AIRCRAFT ALONG CRITICAL DRUG TRANSSHIPMENT ROUTES OUT OF LATIN AMERICA INTO THE U.S. IT WILL ALSO PROVIDE HOST COUNTRIES AN INCREASED AIRSPACE MANAGEMENT, AIR DEFENSE, AND SEARCH AND RESCUE CAPABILITY. WHEN COMPLETED, THIS U.S. AIR FORCE PROGRAM WILL HAVE 13 RADARS AND TWO REGIONAL OPERATIONS CENTERS. THIS PROGRAM CAN PROVE VERY BENEFICIAL IN THE SOUTHERN COMMAND AREA OF RESPONSIBILITY.

EDUCATION AND TRAINING. IT IS IMPERATIVE THAT CONGRESS HELP TO ESTABLISH A COMPREHENSIVE PROGRAM AIMED AT BRINGING LATIN AMERICANS FROM ALL SEGMENTS OF SOCIETY TO THE USA FOR STUDY. WE NEED MORE LATIN YOUTHS EXPOSED TO OUR SYSTEM OF GOVERNMENT AND TO OUR DEMOCRATIC WAY OF LIFE. THE SOVIET UNION, CUBA, AND OTHER EAST BLOC NATIONS HAVE BEEN PROVIDING OVER 10,000 ACADEMIC SCHOLARSHIPS PER YEAR TO LATIN AMERICAN STUDENTS. THE UNITED

STATES PROVIDES FAR FEWER, HAVING FUNDED ONLY 2700 IN 1987. THE IMPACT COULD BE DEVASTATING IN THE LONG RUN, AS THOUSANDS OF BLOC-EDUCATED STUDENTS RETURN HOME AND OCCUPY POSITIONS OF INCREASING AUTHORITY WITHIN THEIR LOCAL COMMUNITIES AND NATIONAL GOVERNMENTS. USAID HAS INSTITUTED A SMALL, HIGHLY SUCCESSFUL UNDERGRADUATE PROGRAM WHICH BRINGS TALENTED, BUT DISADVANTAGED CENTRAL AMERICAN STUDENTS TO THE U.S., BUT WE NEED TO DO MUCH MORE THROUGHOUT LATIN AMERICA.

PEOPLE-MY STRATEGIC RESERVE. EACH ONE OF MY MILITARY PERSONNEL IS AN IMPORTANT ASSET FOR ME. I DO NOT HAVE LARGE NUMBERS OF SOLDIERS, SAILORS, AIRMEN, OR MARINES, AND THOSE WHOM I DO HAVE ARE OFTEN NOT VERY SENIOR IN COMPARISON WITH OTHER UNIFIED COMMANDS. AS A RESULT, I ENTRUST THE SUCCESS OF MOST OF MY INITIATIVES TO YOUNG LIEUTENANTS, SERGEANTS, AND SOMETIMES MORE JUNIOR ENLISTED PERSONNEL. THESE PEOPLE ARE MY "DIPLOMATS," AND ARE RESPONSIBLE FOR CONVEYING MY MESSAGE TO THEIR LATIN MILITARY COUNTERPARTS. NEEDLESS TO SAY, OUR YOUNG PEOPLE DO A TREMENDOUS JOB OF THIS. THEY SERVE PROUDLY AND LOYALLY, AND THEY DO ALL THAT WE, THEIR LEADERS, ASK OF THEM.

I KNOW THAT YOU RECOGNIZE WHAT THESE PEOPLE ACCOMPLISH UNDER OFTEN DIFFICULT CIRCUMSTANCES, OVERSEAS, AND WITHOUT MANY OF THE COMFORTS AND FREEDOMS THAT MOST OF THEIR CONTEMPORARIES TAKE FOR GRANTED. THE MILITARY PERSONNEL WHOM I SEE IN THE FIELD DO NOT ASK FOR MUCH. THEY ALMOST NEVER COMPLAIN--AND WHEN THEY DO, THEY

ARE RIGHT MORE OFTEN THAN NOT. THE OBVIOUS SATISFACTION WHICH THEY DERIVE FROM CHALLENGING TRAINING AND REWARDING PEACETIME INTERFACE WITH THEIR LATIN COUNTERPARTS IS SIGNIFICANT FOR THEM. BUT, IT IS NOT ENOUGH BY ITSELF. IT IS IMPORTANT THAT WE TAKE CARE OF THESE YOUNG AMERICANS IN A MANNER WHICH WILL ENSURE THEIR REENLISTMENT WHEN THEIR INITIAL OBLIGATIONS ARE UP. PROVIDING THEM WITH ADEQUATE PAY, HOUSING, AND MEDICAL AND DENTAL CARE FOR THEMSELVES AND THEIR FAMILIES ARE THE MINIMUM ESSENTIAL REQUIREMENTS. I ASK YOUR CONTINUED SUPPORT IN TAKING CARE OF OUR PEOPLE.

VI. CONCLUSION

I HAVE TRIED TO SPELL OUT THE MAGNITUDE OF THE CHALLENGES AND AN ACTION PLAN TO PURSUE OUR INTERESTS IN LATIN AMERICA. THERE ARE SOME, I AM SURE, WHO WILL CONTEND THAT THE SITUATION IS IMPOSSIBLY BLEAK, THAT THE PROBLEMS ARE INTRACTABLE, AND THAT WE WOULD BE WELL ADVISED NOT TO BECOME FURTHER INVOLVED IN SUCH A MORASS. HOWEVER, I AM CONVINCED THAT INDIFFERENCE AND DISENGAGEMENT WOULD BE DISASTROUS FOR THE UNITED STATES.

THERE ARE NO EASY NOR QUICK SOLUTIONS FOR THE PROBLEMS WHICH WE FACE IN THIS HEMISPHERE. AND, WHILE I FULLY RECOGNIZE THE IMPERATIVES OF DEFICIT-DRIVEN TIGHT BUDGET DOLLARS, I ALSO KNOW THAT WE ARE DEALING WITH PROBLEMS IN LATIN AMERICA WHICH ARE GOING TO BE VASTLY MORE EXPENSIVE TO FIX LATER, IF WE DO NOT RESOLVE THEM NOW. THE PATIENCE AND COMMITMENT REQUIRED TO GENERATE

SOLUTIONS ARE DEAR COMMODITIES. BUT, WE MUST PAY ATTENTION, AND REORIENT OUR EFFORTS IF NECESSARY, IF WE ARE TO SECURE OUR LONG-TERM INTERESTS IN THIS HEMISPHERE.

OUR CONTINUING CELEBRATION OF THE U.S. CONSTITUTION'S BICENTENNIAL SHOULD RESONATE TO STRENGTHEN THE DEMOCRATIC IDEAL OF GOVERNMENT FOR THE PEOPLE AND BY THE PEOPLE THROUGHOUT THE WESTERN HEMISPHERE. LET US COMMIT OURSELVES TO A STRATEGIC VISION THAT RECOGNIZES THE COMMUNITY OF DEMOCRATIC INTERESTS NORTH AND SOUTH. OUR NATIONAL SECURITY DEPENDS UPON IT.

CENTRAL AMERICAN POLICY

Mr. **Murtha**. General Woerner, you are stating facts. We are in a period where we are not sure what the policy is in Central America. Your work down there has been outstanding and your predictions have been absolutely right. ———. In the suggestions you are making, have you talked to the State Department? Are you suggesting these ideas to them or is this a new policy of the Administration that you are talking about? I am talking about the suggestions you are making about the proactive policies.

General **Woerner**. The Administration is still making its policy assessment and an Assistant Secretary for Inter-American Affairs has not been nominated.

Nevertheless, for those, who will input to that policy, I am in dialog with them, expressing my views as I see them as a commander in the field.

NICARAGUA

Mr. **Murtha**. As somebody in support of the Contra effort I always had a concern it wouldn't be able to be carried through because of public opinion and that is what happened.

You are saying that your view of events assumes no support for military aid to the Contras. I think that is a fact. The President hasn't talked about it much and there is very little chance of getting that through Congress.

What do you suggest should be done down there?

General **Woerner**. When we dismantled the policy that was Contra-focused for Central America, we did not replace it with anything. I believe that we must do that, and it must be a proactive policy that continues to have as an objective the moderation of Sandinista behavior.

In other words, quite specifically, I am not talking about a containment policy. I believe that is a defeatist policy in Central America. I believe that we should become more involved in the Arias peace proposal, the Esquipulas II plan.

It has, with all its deficiencies, nevertheless, international credibility. It was designed by Central American foreign ministers, approved by Central American presidents and for which a Nobel Prize was awarded.

I think we should design our policy to work basically—not totally or exclusively, but basically within that framework, improving it, fixing the deficiencies, and being very aggressively supportive of the four democracies. In that support, we will send signals to the Sandinistas of the rewards that are forthcoming from civil behavior, setting as the first objective of the policy to terminate Nicaraguan support to the Salvadoran FMLN guerrillas.

Mr. **Murtha**. I remember when I first went to Nicaragua, Speaker O'Neill sent me down to see if I thought there was any chance of a military invasion of Nicaragua.

Ortega had just taken over and, of course, he was arrogant and obnoxious and talked about how the United States was pushing them around, he wasn't going to be pushed around, he was going to put jet fighters in, et cetera. ———.

I kept trying to convince the Reagan Administration that our policy had to be to contain, and I argued that we have to try to keep Nicaragua from exporting the revolution. That was the basis of my argument.

Nicaragua, from everything I see, is economically a basket case. Unemployment is out of control. Inflation is out of control.

How does Ortega hang in there? How does he survive?

General **Woerner**. I don't know, sir. You have described the economy properly. It is even worse. He survives through support from external sources, the Soviet Union, the Eastern Bloc through Cuba into Nicaragua. It is substantive support. It is running probably half a billion dollars a year.

Mr. **Murtha**. So if that support were cut off, Ortega would fall?

General **Woerner**. Although I have little confidence in economic sanctions of themselves to cause a fall of government, I think Nicaragua is such a desperate case that without external support, it could not survive. It would literally starve.

Mr. **Murtha**. Does our opposition to Ortega consolidate his support inside the country—in other words, when we so vigorously attack him, does that give him an excuse for the sacrifices and so forth that people are making? Does he blame us? Do they believe that we are at fault?

General **Woerner**. Yes, he does blame us, but I think the ideological lines are so drawn between the opposition and the Sandinistas that the degree of our support or lack of support is immaterial. ———.

Mr. **Murtha**. To get this clear in my mind, in Panama, you predicted that Noriega would remain. There is opposition now, you can't tell at this point obviously what is going to happen in the election. That is something that is too far away, I assume. Would you be able to predict at this time that Noriega, whoever he runs against, will win the election?

General **Woerner**. ———.

EL SALVADOR

Mr. **Murtha**. What happens in El Salvador? Guerrilla activities are increasing. They make it look like they want to be involved in the election. It is not constitutionally possible, as I understand, the way they want to do it. The more conservative group is projected to win there; is that right, General?

General **Woerner**. Quite possibly, sir. I am as concerned about El Salvador from the U.S. support perspective as I have ever been since I started working that country in 1981. ———.

Mr. **Murtha**. Do you have information through hard evidence?

General **Woerner**. ———. From this dialog with the Sandinistas and their own internal analysis, the FMLN has designed a new strategy that brings into play a diplomatic initiative along with sustaining their military operations.

What they have concluded is that the war can be more readily won in the halls of the United States Congress than it can be won on a battlefield in El Salvador.

So they have set about a strategy that includes such things as sustaining guerrilla activity. This does not pragmatically accomplish a lot in the rural areas. It will, however, give the impression by conducting a lot of little harassing attacks countrywide that they are in control.

They are opening up a new front in the capital city. As they do not have the capacity for a full guerrilla operation, they will resort to and have started already urban terrorism.

This campaign will include activities such as dropping a mortar round on a public building from the bed of a pickup truck and fleeing, and car bombings. The terrorism has already started giving the impression of a Salvadoran Government that has no control, not even in the capital.

They have also started on a diplomatic offensive. They have been through Central America—this is the commandantees themselves, Villalobas, for example. And, they have been to Europe. Interestingly enough, they were rather successful in that effort. Their message was, we are the legitimate power base in El Salvador and, therefore, the current government there should negotiate with us. What they cannot win through guerrilla activity they will now try to win through negotiations.

A part of that is certain to be their presence in Washington this year. The peace announcement that they just made is a classic example of this new offensive.

Mr. **Murtha**. Haven't they intimidated a substantial number of mayors to quit in small communities?

General **Woerner**. Sir, a measure of their duplicity is this peace initiative. In this respect, I am concerned that there are people who are going to grab hold of that and attribute some value to it.

They have asked or demanded in that peace initiative that the Government of El Salvador renounce its own constitution as to its electoral process, that the military not secure the elections by being withdrawn from the field, put in the barracks before, during and after the election, that the military not be permitted to participate as citizens in the election; that the electoral code be rewritten in their favor and that the elections be suspended until September, even though they are participating in the process legitimately through their candidates, Ungo and Zamora, and, know that they can't win.

In exchange, they offer two things: One, they will recognize the results of the election. From that one concludes that even though they are running, if you don't accept their peace plan, they won't recognize the results; and two, in their own written words, they will cease the murder of the elected mayors if the mayors cease to cooperate with the military in its pacification programs.

I think that is most instructive of their true intent.

Mr. **Murtha**. What happened to all the resources that we have expended down there? What happend? Why didn't that have more of an impact in El Salvador?

General **Woerner**. I do not know the aggregate, sir, but it is substantial, quite substantial. What has happened, sir, with that money, is that, first, an infinitely more professional military has grown from a base of about 12,000, 14,000 to a 55,000 man force. This force has reduced guerrilla strength in half; and forced the guerrillas to break from large units conducting operations, to adopt a small-unit, prolonged war and now to seek negotiations. They seek a negotiated settlement because they cannot win the conflict militarily.

Mr. **Murtha**. But you say you are more worried about it even though the units are smaller and the guerrilla force is smaller, you are more worried now than you have been since you have been commander there?

General **Woerner**. I am not worried about the Salvadoran military and their capability; I am concerned about our sustainment of support for Salvador because of this sophisticated diplomatic initiative.

The other thing that has been gained from our support, sir—in fact, I would put it in the historic category is that El Salvador, which prior to this decade had not had a free and democratic election for 50 years, has conducted five democratic elections, certified internationally as being honest. I think that is an incredible accomplishment and well worth every penny that we invested.

Mr. **Murtha**. Mr. McDade.

POLICY TOWARD NICARAGUA

Mr. **McDade**. Thank you, Mr. Chairman.

General, thank you for a very thoughtfully delivered testimony, disquieting as it is. We appreciate very much the thumb-nail sketch which, as I see it, indicates that we are really betwixt and between about what we are going to do.

I hear you discuss, regarding Nicaragua, the need for a new policy. Like a lot of people on this committee, I supported the initiative, but I don't know quite what it is that you are recommending and what kind of an audience you are getting with your viewpoint.

When you talk about a new policy, I am wondering what exactly you have in mind. What do you think might be effective? Concurring in what you say, I am looking at a ———.

General **Woerner**. It is, sir.

Mr. **McDade**. How do you devise a policy that will induce the Sandinistas, since they seem to be in control with no significant opposition, how do you devise a policy that might get them to change their ways?

General **Woerner**. Perhaps a policy that pays less attention to Nicaragua and concomitantly more attention to the allies will solicit certain responses from the Sandinistas. I don't have a lot of confidence in having, in being able to design a policy that rapidly turns the Sandinistas around at all. But I think absent———

Mr. **McDade**. You are certainly not suggesting any form of normalization, Western assistance, U.S. foreign aid?

General **Woerner**. No. I am talking about enhanced support to the democracies as to—first, to strengthen them, and secondly to provide demonstrative incentive to the Sandinistas for a moderation of their behavior.

I think also that we cannot look at the Nicaraguan problem exclusively within the Latin American context, that as we hopefully progress within the spirit of glasnost and perestroika, that this also would become an element of discussion.

[Clerk's note.—Classified discussion removed.]

General **Woerner**. ———. Someone a bit facetiously but truthfully said that communism is alive and well in Cuba, more so than anyplace else. I believe that.

I do not know. I am not an expert on Cuba, sir. It is not in my area. But it is my impression that it is not Cuba of itself that is supporting the Sandinistas but rather serving as a conduit for Soviet support.

Contrarily, in terms of advice, counsel, manpower, it is the Cubans who provide this type of assistance. There are probably only about 100 to 125 Soviets in Nicaragua, but we suspect there are probably about anywhere from 1,500 to 2,500 Cubans there.

Mr. **McDade**. How much of the petroleum that gets into the country comes from the Soviet bloc now?

General **Woerner**. I presume all, but I don't know.

Mr. **McDade**. In other words, you say they are totally relying on Soviet petroleum?

General **Woerner**. Economically, absent Soviet support, they are destitute. Even with that support and their own economic projections, I believe the inflation figure was 20,000 percent—unreal.

Mr. **McDade**. The reason I am asking these questions is that in developing this new policy that you talk about, you are going to require diplomatic initiatives, it seems to me, with the Soviet Union in order to achieve it. ———. And there isn't any way to get any kind of change unless you are able to make approaches to other parts of the world. Would you agree with that?

General **Woerner**. Yes, I would, sir.

COORDINATION OF POLICY

Mr. **McDade**. Have you had an opportunity to discuss this with your colleagues in the State Department, the National Security Council, et cetera?

General **Woerner**. ———. I have talked substantively on three occasions with the transition team, sir.

Mr. **McDade**. No conversation with General Scowcroft, for example?

General **Woerner**. Today I met the General for the first time for a half hour, in fact immediately before coming here.

Mr. **McDade**. The things that you put on the map, your conversation with the Chairman, we are going to get a setback in May in Panama, you are concerned about the diplomatic initiative in Salvador, we just had an assassination in Honduras of one of our allies——

General **Woerner**. Yes, sir, General Alvarez, former Commander of the Armed Forces.

Mr. **McDade**. Do you have any information on that? Do you know what caused that?

General **Woerner**. We have no intelligence other than an admission of a guerrilla group called the Cinchoneros, who have taken credit for the assassination. They are a Honduran guerrilla group, the most significant of a variety of groups that to date have not been particularly active militarily but have been in the organizational mode.

Mr. **McDade**. ———.

General **Woerner.** ———.

Mr. **McDade.** Apart from your meeting this morning with General Scowcroft, you have nothing to try to deal with this problem in the immediate future scheduled now?

General **Woerner.** I routinely, sir, talk to State, the DOD, JCS and the National Security Council. I am in Washington about once a month, sir. ———.

Mr. **McDade.** How long have you been articulating it?

General **Woerner.** Since I have been the Commander in Chief of Southern Command.

Mr. **McDade.** General, we are always appreciative of your testimoney here as the Chairman has said so accurately. It has always been a great help to this committee in its deliberations.

The only reason I am asking these sorts of questions, and I know you are in communication with our colleagues in the State Department and Central America and Joint Chiefs, is to find out in view of the shortness of the time between now and May 7th, whether there is anything scheduled, and apparently there are no further meetings with General Scowcroft scheduled?

General **Woerner.** No, sir, but my pattern is to schedule those when I can. I am encouraged with the transition team about their recognition of the region's problems and the urgency of their addressal. I am encouraged, sir. But in Panama, we are talking days.

Mr. **McDade.** Let's hope there is lots of room for encouragement.

General **Woerner.** Sir, when one works in Latin America, as I have half my career, you look for any little light that is out there.

Mr. **McDade.** Thank you, Mr. Chairman.

Mr. **Murtha.** Mr. Dicks.

KISSINGER REPORT

Mr. **Dicks.** General, I want to welcome you and compliment you on your statement. I am sorry I missed your verbal presentation but I have had a chance to review a significant part of your statement. As you look at the situation around the world, things may be a little bit better in Europe. We hope that is the case. Clearly, the problem in our own hemisphere could well be the major foreign policy, national security challenge that we face in the next decade.

One thing I was impressed by in your statement was you talked about 10 million people entered the U.S.A. legally and illegally between 1982 and 1987, and that that was three times as many immigrants as entered the U.S. during the 40 year period between 1925 and 1965.

It seems to me that your analysis is correct, and that what we have to do is try to help our southern neighbors with their economic problems, to bolster those countries so their people don't feel compelled to leave and come north.

I understand you think that we ought to go back and look at the Kissinger-Jackson Report and see what we can do to help bolster these economies. Is that accurate?

General **Woerner.** I think that would be an excellent start, sir. I have high regard for the Kissinger Report. I think in fact that it is propitious to expand that approach, to include not only Central

America as it did, but all of Latin America, Central and South. Hopefully that effort would provide a framework which would be supported bipartisanly to the addressal of these issues.

The immigration which you mentioned, sir, is perhaps a most poignant indication of the problem. An Ecuadoran does not want to come to the United States. He wants to stay in Ecuador, or El Salvador or Honduras. But they come out of desperation.

The Immigration and Naturalization Service, sir, last year made about 1.2 million arrests on the southern border. The year before they made about 1.8 million arrests. I don't have the foggiest idea how many arrests they didn't make.

The United States has in one sense a grand compliment, but it is a back-handed compliment. I believe we are the only nation in the world that attributes—the majority—over 50 percent of its population growth rate to illegal immigration. This I believe should be a concern of ours—not that those immigrants don't contribute like all other immigrants have, but that we have a significant sector of our population outside of the law. What does that do to the social fabric in the long term? I don't know, but I think we should be concerned about it.

More germane to my interests, it is a measurement of the problems within the region and the resolution is certainly not in a fence. It should be in contributing to the economic growth and social well-being of our allies.

Mr. Dicks. I assume it is your opinion that our response to those social-economic problems has been woefully inadequate; is that a fair assessment?

General Woerner. Yes, it is. I do not have the figures on the economic side, but they parallel the military figures because dollars are usually spent in a ratio of about four economic dollars for one military dollar. And in the security assistance program, an integral part of this assistance for the 20 countries that the United States Government tasks me to overwatch, I receive about 3 percent of the world-wide security assistance monies—3 percent.

I say our interest, our national interest in Latin America deserves a considerably larger portion of that support.

DRUGS

Mr. Dicks. One other obvious problem we have and you have mentioned it in your statement and, I think it is a national crisis, is this whole drug question.

General Woerner. Yes, sir.

Mr. Dicks. As you point out, 100 percent of the cocaine that we are talking about is coming out of South America.

Some have suggested that the United States, from a foreign policy perspective, simply has not come to grips with this problem in terms of dealing with the countries that are producing the drugs, the cocaine.

What is your view of this? Is there something we could do or should be doing from a foreign policy perspective in our relationship with those producing countries that we are not doing? Do you have any recommendations in that area?

General **Woerner**. I would like to broaden it to some things that we should be doing, of which foreign policy is an element.

I think that the drug problem has grown to such proportions that it can no longer be defined as a social problem and must be seen as challenging the very essence of our value system.

To me, then, that demands a national commitment in resources and in time to address the problem. I am not willing to say at all that it is invincible. It can be addressed as many other problems we have faced. But what it means is, we have to empower a representative of the President with the authority to coordinate the resources of the various entities involved to address this problem, and if that means certain sacrifices on the part of each agency of government, then so be it. But we have to focus this effort rather than have 32 agencies working like the pipes of an organ against the problem. Everything has to come together in a collective effort.

We have to understand the problem, and address it on a broad base. ———.

The fundamental problem is consumption in the United States, and we have to accept that responsibility rather than point our fingers at the Peruvians and the Bolivians. They wouldn't have much of a market if we weren't consuming.

Mr. **Dicks**. From a practical perspective, don't we have to attack both problems? The demand side has to be dealt with, but that is a decade-long proposition.

General **Woerner**. Or three or four.

Mr. **Dicks**. But at the same time I don't see how we can sit there with these other governments and not try to do something about the illegal production of these coca plants in their countries. I don't see how we can sit there and do nothing.

General **Woerner**. I agree with you 100 percent. I am saying it has to be a part of a program rather than a total program.

Mr. **Dicks**. What would you suggest that we do? What can we do with these other governments, some of which are very good friends, democratic governments? What do we do with them?

General **Woerner**. We have some excellent initiatives that can be expanded. Again, I am not an expert in this field. I support it by the role that has been provided me under law. But we have under the drug——

Mr. **Dicks**. For the record, what is that role that you have been directed to fulfill under the law?

General **Woerner**. Under the new omnibus drug bill yet to be operationalized, I am to monitor and surveil. I am in the process now of trying to define the legitimate scope of activity to respond to that law-mandated mission of monitor and surveil.

What I have been doing, sir, over the past year is support very modestly with equipment to both the host nation counter drug forces and the Drug Enforcement Agency—very modest support and equipment.

More substantively, I am involved in training, transferring relevant military skills to host country forces when I am permitted to do that, remembering that by law I am not allowed to train police forces.

I also train drug enforcement agents in jungle operations, and thirdly——

Mr. Dicks. That is our Drug Enforcement agents?

General Woerner. Yes, sir. I have a jungle operations school in which we teach them basic military skills for operating in the jungles that they will confront.

Mr. Dicks. Are they down there actually going into the jungles trying to find these——

General Woerner. Yes, sir. They are operating—they are serving as the trainers-advisers to the counter drug forces, particularly in Bolivia. So what they do is give sort of a basic training. The DEA agents use these skills in the operational mode since my soldiers, cannot leave the base camp.

The third dimension of my support is technical assistance such as communications, medical, operational planning, things of that nature. That is the scope of my activities.

Mr. Dicks. I yield to Mr. Hefner.

Mr. Hefner. Let me ask a question here. Doesn't it come down to the simple fact that it is so profitable that the elected officials and the police don't really have the incentive to go out and conduct an all-out war against drugs.

It seems to me from what I have read and the information that we have here, that the supply of drugs and the big profit that is in it make many of the people that grow and supply the drugs just as powerful as the government. Is that a fair analysis?

General Woerner. Yes, it is, sir, within their region.

Mr. Hefner. So there are really not many sanctions that you can use other than saying, "You've got to cooperate with the United States, you've got to cooperate with us to solve our drug problem." In many cases, they will be threatened with their lives.

General Woerner. Thus, the importance of a very sophisticated campaign that understands the multiple points of vulnerability.

The drug business, like any business, has vulnerability to it. For example, if you can drive the price of coca leaf in Bolivia in the Chapare down to below 40 cents a kilo, it becomes unprofitable for the Indian to produce it, and he will go into another crop. So that suggests, then, a crop-substitution program. That is working.

What about precursor chemicals? It takes an enormous amount of acetones and ethers to process. A good bit of those chemicals come from the United States. Why don't we do something to cut off the export of those precursor chemicals? Cocaine in crystalline form is of such high value that it can be flown, but you can't fly in your precursor chemicals. So we can work, as I am doing, the ports, and we can work, as the Border Patrol does, to develop economical checkpoint techniques for controlling the roads. I am also working with the Coast Guard to patrol the inland waterways that are used.

What about money flow? The monies are so enormous that the DEA tells me that the narco traffickers no longer count money; they weigh it. You can imagine how long it takes to count a million dollars in hundred-dollar bills or smaller denominations. So they weigh it.

With that bulk of money, certainly that is a point of vulnerability.

Mr. Hefner. Would you yield for a comment, please?

General Woerner. I am at your service, sir.

Mr. **Hefner**. It seems to me that knowing this money has got to be going to somebody and there are not a lot of people that can launder money, it must be done in a sophisticated place.

It seems to me that is one of the ways you get at this. You hit the guy in his pocketbook. Back in my State of North Carolina many years ago, the bootlegging industry was simply an industry in the mountains of North Carolina but it was important to both law enforcement and local mayors. They had no stomach for doing away with illegal booze. You must hit them in the pocketbook. It is a travesty, and a terrible shame that we in the United States contribute overwhelmingly to this problem because of our demand for the drugs.

So long as the profit motive is there, capital punishment doesn't deter them, nothing deters them.

General **Woerner**. I would like to make one point, sir, I think very important. There is corruption in Latin America as there is elsewhere. That does not mean that there are not noble patriots in each of the countries concerned willing to take on this problem. They know that there are not exclusively producers. They are rapidly becoming consumer nations with the impact on their own societies that we ourselves are experiencing.

But it goes much beyond that, because narcotics money is suborning police forces, the militaries, and governments. As a result, they see it now in a different light. Where a few years back, it was a U.S. problem, now it is very clearly a shared problem. So we have a much more receptive audience for international collaboration.

ARMY DEVELOPMENT AND EMPLOYMENT AGENCY

Mr. **Dicks**. A major goal of the Goldwater-Nichols Reorganization Act was to provide the commanders of the Unified Specified Commands with adequate authority and responsibility to carry out their war-time missions and to provide them with budgetary resources to make unique requirements, including combat and materiel development.

General, I understand that in the past your command utilized the Army Development and Employment Agency to identify and utilize unique requirements for military application of off-the-shelf technologies. Could you describe for the record this work and the contribution it made?

Secondly, as you know, the Army has decided to disestablish ADEA. As a result, how are you meeting the requirements for nondevelopment items?

General **Woerner**. Yes, sir.

I worked closely with ADEA when it existed inasmuch as there was in effect an ADEA forward station in Panama. We called it SWORD, Small Wars Operational Research Directorate.

With the demise, potential demise of ADEA, I have switched my orientation to working directly with the Army Materiel Command. I would have to say candidly that it is not as convenient as having an entity sitting right in my hip pocket, but at the same time I would also have to say it has not cut me off at all from the research and development community. In fact, AMC is quite proactive in soliciting my interests in working toward that end.

The way I work, thusly, is to make known to the research and development community my interest. I have to be proactive in that regard because by our unconventional nature we do not think in terms of Abrams tanks, carriers, and F-16s.

Mr. DICKS. General, the committee has directed the Secretary of Defense in conjunction with the JCS to submit a report on a proposal to re-organize ADEA to be an agency of the Department of Defense, specifically to provide direct support to the Unified and Specified Commands. What advantages could such an organization provide in your operations?

General WOERNER. Without understanding the impact on force structure, zero-based gain, an ADEA-type organization that was unified would be very supportive of my interests. It could potentially be very helpful. I believe that if there were such an organization, it would better address across all Services than just a single Service.

Mr. DICKS. Thank you. I have some other questions on that subject for the record.

[CLERK'S NOTE.—Questions submitted by Mr. Dicks and the answers thereto follow:]

Question. Related to this proposal is the need, expressed by the Defense Science Board, to create a joint simulation/gaming center. The Defense Science Board recommended that the agency to execute this center should be either ADEA or DARPA. What are your views concerning the creation of this capability by including it as one of the missions of an ADEA type agency reporting to JCS.

Answer. A joint simulation/gaming center, like that recommended by the Defense Science Board, has been created at Hurlburt Field, Florida. USFORSCOM is the executive agent for the Joint Warfare Center which operates under the direction of the Joint Staff. The Joint Warfare Center provides a broad range of analytical and gaming capabilities which complements each of the warfighting CINCs' simulation/gaming centers.

Question. I understand that a message has gone to all the CINCs asking for their comments on this proposal by 20 February. I would appreciate being provided with a synopsis of your recommendations to assist us in evaluating whether this proposal has merit, and if so, how it would be implemented.

Answer. Basically our answer stated that an ADEA-like organization under the CJCS could be very supportive of our urgent and unique warfighting requirements, but that this capability would largely duplicate functions already accomplished by the Services and other DOD organizations. Additionally, we stated we did not have resources to support the initiative, and, given the current budget environment, we recommended it not be funded by the Joint Staff.

[CLERK'S NOTE.—End of questions submitted by Mr. Dicks.]

Mr. MURTHA. The time of the gentleman has expired. Mr Young.

CHEMICALS FOR PRODUCING DRUGS

Mr. Young. General, I am interested in this use of acetone and ether. To what extent is that required to make cocaine or crack?

General Woerner. Again, not claiming any expertise, there are a family of chemicals that are absolutely indispensable. Very simply, what happens is the leaf is picked up and thrown into a pit with a very mild solution of sodium bicarbonate and kerosene, and literally, just like squeezing grapes, some poor campesinos get in the pit and stomp the leaves. That produces a paste, and from that it goes through a secondary stage of purification using sulfuric acid and other chemicals to take it to an intermediate stage of coca base which is short of hydrochloride crystaline and cocaine. The final stage uses large quantities of ether and acetone. You can't get to coke without going through this process.

Mr. Young. Well, these other substances are available other than in the United States, though, aren't they?

General Woerner. Yes, they are, sir.

Mr. Young. In your opinion, are they being supplied from the United States, though?

General Woerner. Yes, they are, but not exclusively. Some are definitely coming out of the United States as a legitimate chemical export.

NICARAGUAN REFUGEES

Mr. Young. General, Mr. Ortega just a few days ago announced a new plan for the Nicaraguans, new belt tightening requirements, et cetera. Are you familiar with the details of that?

General Woerner. No, I am not, sir. I know of the plan. He has no other choice but to belt tighten. Even with this largess from the Soviet Union, it is an incredible disaster internally.

Mr. Young. Do you know enough about it to get a feeling for what the refugee situation might become? And in your statement, you have discussed it very effectively as to what the situation is, up until today. What do you see happening in Nicaragua itself as these economic measures go into effect? Are we going to see more and more refugees leaving Nicaragua and coming to the United States?

General Woerner. Yes, we are, sir, without a doubt. In fact, Daniel Ortega is so concerned about it, about the flight, that they had to pass a law under which no male over the age of ten can leave the country any longer. I think the figure we use right now for the people who have fled the country is about 17 percent. That is going to increase significantly with further constraints economically.

Mr. Young. Do you know how many of that 17 percent come to the United States?

General Woerner. No, I do not, sir. I suspect that significant numbers, not necessarily a majority, but significant numbers have definitely gone into Costa Rica, because right now 10 percent of the Costa Rican population is immigrant status. And, of course, we have the large refugee camps in Honduras, and we see a steady stream working north through Guatemala and Mexico into the

United States. I fully anticipate a constant pressure on our southern flank by Nicaraguan refugees.

Mr. YOUNG. And as the economics deteriorate, it is going to get worse. I would think you would obviously agree with that.

General WOERNER. Conditions in Nicaragua go in no other direction, sir.

Mr. YOUNG. So the attempt of people to leave——

General WOERNER. Will constantly increase, yes, sir.

Mr. YOUNG. With much of the problems developing in Florida. We have already had some violence related to Nicaraguan—I don't think they are called refugees at this point, but they have a status. Something is going to be added to that whole issue, and that is that Cuba is not in good shape economically either.

General WOERNER. Correct, sir.

CUBA

Mr. YOUNG. Cuba is bringing home ——— troops, at least we are told that they will, from Africa, mostly from Angola. What is Castro going to do with those soldiers that he brings home?

General WOERNER. I don't know, sir. ———. But they are going to exacerbate an already very serious economic problem.

Mr. YOUNG. Well, to be more specific, what kind of an economic effect do you believe that ——— troops put back into Cuba itself would have on their economy?

General WOERNER. It will impact, but he will be able to absorb.

Mr. YOUNG. You think he can absorb?

General WOERNER. Yes, sir.

Mr. YOUNG. Many of those soldiers will be sick, diseased.

General WOERNER. I understand that the standard of health of the forces in Angola is poor, but I do not—again, I don't follow Cuba as I follow the Central America/South America countries. I follow it more in terms of its impact on my region.

Mr. YOUNG. I understand that. That is why I am asking, because Cuba has a lot of impact on your region, and I am wondering if you are anticipating or planning any contingencies for Castro taking whatever number of those troops that are healthy and distributing them throughout your region. That is what I am getting to.

General WOERNER. ———.

Mr. YOUNG. Your responsibilities are basically military, but, of course, you are in constant contact with the State Department and the in-country teams. So anything outside of military, economic, political, or whatever, you have an interest in because it is going to affect your area of responsibility.

What kind of advice would you give a new administration—regardless of who the new President was, what kind of advice would you give to that new administration about attempting communications with Cuba, with Castro, for example? What kind of recommendations would you have as to any changes, if you saw any, that we should make with the people of or the governments of the countries in your region?

General WOERNER. Yes, sir. I am an advocate of diplomacy and of using military force only as a last resort when diplomacy is no longer propitious. Therefore, even with enemies, I advocate maintaining a dialogue. That does not necessitate diplomatic relations, and open embrace or anything like that. But, if one is to reach a solution, I think dialogue helps rather than hinders.

So that would be my recommendation outside of my area of responsibility to a new President.

In terms of a relationship with the countries of Central America, Panama and South America, I would encourage as a focal point of our policy, the addressal of the debt crisis. Although I don't hold the United States accountable in any degree for that condition, I think that absent a dialogue, focused, centered around debt relief, we are not relevant to the most pressing needs of the Latins. Contributing to the resolution of that problem serves our interests.

Just a vignette, if I may. It can be argued that helping Brazil resolve its $110 billion debt crisis would create 350,000 new jobs in the United States. I think that is very relevant.

The political, economic and social health of Latin America is the front line of security for the United States and, therefore, we should work vigorously toward that objective.

The military component of that is a minor subset, but an important one, given the role of the military within the countries in my area of responsibility. But it should not be the driving factor, nor is it.

SECURITY IN PANAMA

Mr. YOUNG. General, I appreciate your comments very much.

Let me ask just one more thing. I represent a district in Florida that has a very large Panama society, a lot of people who either at one time live or worked in the Canal Zone or have family and relatives that are there now. Are they fairly safe? Are they pretty secure there, or are they looking toward some problems as to their personal security?

General WOERNER. From the sense of personal security, I consider the community at this stage quite safe, as safe as they would be any where in the United States. From a harassment perspective, there is a bureaucratic type harassment, a series of inconveniences to which our personnel are extraordinarily vulnerable, the military more than the civilian community. But that is the nature of our relationship.

Mr. YOUNG. And do you see any immediate threat to their security? Is there anything developing that might be a threat to their security?

General WOERNER. ———.

Mr. YOUNG. General, thank you very much. Thank you, Mr. Chairman.

Mr. MURTHA. Mr. Sabo.

CHEMICALS FOR PRODUCING DRUGS

Mr. SABO. I am wondering about the chemicals Mr. Young and Mr. Miller were talking about which are used for the production of cocaine. What other countries supply those chemicals?

General WOERNER. I understand, sir, they can be accessed, within the full range of Western European nations. They are simple chemicals. They are not complex chemicals that are involved in this process.

Mr. Sabo. And they have many uses other than——

General Woerner. And they have industrial application which provides for the abundance, for their availability, yes, sir.

Mr. Sabo. And they would be used for those other purposes in all of these countries, also?

General Woerner. Yes, sir, I would say, but, of course, nowhere in the quantity that is flowing in. But I would presume, yes, that all the chemicals that would go into drug production—I am really shooting from the hip on this one, but I would presume there would be local industries that would have a legitimate need for just about all those chemicals.

Mr. Sabo. How do most of the drugs come into this country, by sea, by air?

General Woerner. They come in from every possible imaginable means of communication, sir. Large shipments by air, even larger shipments, in the tons, by sea.

Mr. Murtha. ——.

General Woerner. That is the scope of the detection problem that the DEA faces.

So the answer is, you don't search containers, you establish intelligence systems that tell you which container it is in, or you tap your technology that can sniff, not a dog, but technology that can sniff the presence of hydrochloride.

CAPITAL OUTFLOW

Mr. Sabo. Do you have any figures on what is happening with capital outflow in the countries of Central America? Specifically on privately generated capital. My sense has always been to the degree there is anybody who has any resources they quickly ship that capital out of that country to here or other places. Does that capital outflow still continue as heavily as ever?

General Woerner. There is a major problem of capital flight that is in direct proportion, logically, to the conditions of internal security within the country.

That, combined with the public sector capital that is committed to debt servicing leaves nothing for internal capital investment. There is very little growth, economic growth—in fact, for the entire region that even includes Chile, which is the regional showpiece economically, and where growth is only 6 percent. Six-tenths of 1 percent is the region's growth rate.

Mr. Sabo. Is the external debt in Central America and most of these countries high?

General Woerner. Yes, sir, it is. The aggregate is $420 billion with Brazil, Argentina, and Mexico being the three largest——

Mr. Sabo. What about just in Central America, not South America?

General Woerner. In Central America, it is—the debt comparability I feel is not large as measured against their gross domestic product, but it is nonetheless very, very significant to those individual nations, sir. No nation escapes it, not even Chile, but Chile is doing the best in managing the problem.

Mr. Sabo. Thank you.

Mr. **Murtha**. Mr. Miller.

DRUG INTERDICTION

[**Clerk's note**.—Classified discussion removed.]

Mr. **Miller**. Well, that was so many years ago—at least eight years ago—and I am very inquisitive. I guess I will have to check back with Customs to find out whether anything has followed through——

General **Woerner**. There is nothing available—I don't know if the futurists say that, yes, there is an opening there to develop. I can tell you there is no automated sniffer now.

SOUTHCOM BUDGET

Mr. **Miller**. In your statement you mention that you operate on one-tenth of one percent of the budget, and you have 22 percent of the land mass that you are responsible for. How does that compare with other CINCs?

General **Woerner**. Shabbily, sir. Shabbily.

Mr. **Miller**. Could you give us the information for the record, let's say, of the comparability here between other CINCs. We know that a lot of the budget is spent on equipment that is retained in the U.S. and maybe all have an opportunity to draw upon it. If you could break that down for the record, I would appreciate it very much.

General **Woerner**. Yes, sir.

[The information follows:]

My statement reflects the funding for my Integrated Priority List of critical warfighting requirements which constitutes less than one-tenth of one percent of the Department of Defense budget. This calculation is based on USSOUTHCOM's share of the FY1990-94 Five Year Defense Plan. However, as a relative percentage of the DoD budget, the total operating cost of USSOUTHCOM and its related components is not significantly larger. The USSOUTHCOM staff does not have adequate information with which to answer this question nor do we believe it is appropriate for us to comment on the funding requirements for other CINCs.

Mr. **Miller**. You also mentioned that 40 percent of our petroleum comes from Latin America. Now, were you including Mexico in that particular area?

General **Woerner**. Yes, I was, sir.

Mr. **Miller**. And what part of that 40 percent comes from Mexico? Is the majority of that coming from Mexico? You said you were not responsible for the Country of Mexico. That is why I asked whether you were including that in the figure.

General **Woerner**. Yes. I cannot break it out, but I can tell you that I believe the majority of our crude oil imports come from Mexico, and I do know that 100 percent of our strategic reserve comes from Mexico.

SECURITY ASSISTANCE

Returning to your question, sir, on proportionality of the budget, I use those, admittedly, those figures to dramatize my plight. I am an economy of force theater in military terms. Legitimately so, I agree with that in that it permits the commitment of the greater portion of the United States resources, military resources, to other areas more militarily challenged or more historically or traditionally of interest to the United States.

I do not seek significant increases to that one-tenth of one percent in my operational budget. But what I do seek, desperately, is a fairer portion of the security assistance program of which I receive only 2.8 percent, and I think that ignores U.S. national interest. Sixty-five percent of those security assistance monies are going to Israel and Egypt. Of all the monies, the Congress has earmarked 94 plus percent. That gives me precious little flexibility. And of my monies of that piddling 2.8 percent, about 65 percent goes to two countries of the 19 that I would like to support.

So I am under-resourced, I am encumbered by earmarking. I am also greatly limited in what I can do for you because of congressional sanctions, be they the Glenn-Symington, the Humphrey-Kennedy, the Brooke-Alexander, et al, I am greatly encumbered by the prohibitions against working with police forces even though police forces should be committed to the counter drug and counter guerrilla campaigns. And I am seriously encumbered by a structure of security assistance that was designed for another era.

I advocate massive revamping of the security assistance program to make it what it should be, the most important arrow in my quiver. I am not interested in Abrams tanks or F-16s or aircraft carriers, but I sure am interested in security assistance.

Mr. MILLER. That statement will be very helpful for the record, General.

General WOERNER. Thank you, sir.

PERSONNEL

Mr. MILLER. You also speak of the one-tenth of one percent of the budget, but you speak of the military personnel, that you have very few and that your military personnel are younger. They do not have the experience apparently. There must be some reason for that. Can you tell us why?

General WOERNER. In a specific context, sir, I am complimenting the work done by my sailors, soldiers, airmen and marines. It is not that they as a force are any younger than any other force, but rather a significantly greater responsibility is placed on them at a younger stage of their career than would be placed upon them in another theater. This is because of the small number of personnel in my command and because of the breadth of scope of their responsibilities.

I am probably the only unified commander that looks upon an individual sergeant as a strategic resource. Because when I send him and one or two others to a country, it may represent 25 percent of my commitment to that country for the year. That is what I am talking about in terms of youth and responsibility.

In numbers, sir, I do not need more in Panama or Honduras, the two focal points of my strength. But I would observe that my advisory effort, those officers that represent the United States throughout Central and South America as members of the embassy's country team, total some 92 people in 17 nations. The Soviet Union is represented more handsomely. In fact, they have 19 times more advisors in Latin America than I do. My security assistance presence is 92 throughout the region plus 55 in a special category in El Salvador. That is the totality of our forward deployed forces.

Mr. MILLER. I was referring to your statement which read, "I do not have large numbers of soldiers, sailors, airmen and marines, and those whom I do have are often not very senior in comparison with other unified commands. As a result, I trust the success of most of my initiatives to young lieutenants, sergeants and sometimes more junior personnel."

General WOERNER. Yes, sir.

Mr. MILLER. It seems if you are going to have less, that you should have people that are experienced at least in this particular diplomatic role that they are playing. So would you suggest that somehow you be assigned some people with more experience?

General WOERNER. Like any commander, I would certainly support an across-the-board upgrade for virtually every position to gain that experience. I feel that, with what we have, the force is serving admirably. I am very proud of the command from soldier to general.

Would I welcome an increase in numbers? A very modest increase in numbers, most certainly, sir, most certainly.

Mr. MILLER. Mr. Chairman, I have one more question if I have time for it.

Mr. MURTHA. Okay.

Mr. MILLER. It seems when we are talking of drugs and democracy in Central and South America, they are caught in a Catch 22. You spoke of the shear volume of dollars being captured, hundred-dollar bills which must be weighed instead of counting them.

Somewhere in the statement I read, too, that without the tonic of economic growth, democracy faces a grim future in that area. So as we find ways to stop the drugs, then we create unemployment in the drug producing countries. I am certainly for stopping the drugs, I am just seeing if you have some solution to this problem. With greater unemployment it is harder for a democracy to work. So are we caught in a Catch 22?

General WOERNER. No, sir, we are not, although we have a substantive problem.

The drugs as a national industry do provide income, and monies to a sector, but they are actually debilitating monies on a national scale, quite inflationary, and, of course, do not enter necessarily the national economy.

The elimination of drugs, drug production, is absolutely dependent on an alternative. Crop substitution is just one of those alternatives. But as we would assist through a broad-based economic program in Latin America to develop its economic base, its capacity to produce, this could more than adequately absorb the displaced people from drug production. These programs would have to work hand in glove. You then not only cut off the illicit monies and the distortions associated with that, but you create a new base, be it an agricultural service or industrial base. Thus, by absorbing those displaced workers, you then create real growth for the nation. This, in turn, will contribute toward the democratization process. ———.

Mr. MILLER. But isn't this a rough road to travel with the debt now owed by those countries? And it would take additional money to set up the industrial base to absorb the people that would be unemployed. So is there a solution there? If they cannot pay their debt now, how can they borrow more to set up the industrial base?

General **Woerner**. I am not an economist, but it is clear to me that it would have to be a very sophisticated program that included not only some degree of—and I have no idea what it is—debt relief, of rescheduling of debt service, of debt equity swaps, of economic restructuring internally, and of adjustments to the international monetary agencies.

All these coming together would be required to address the problem, given its scope. It is not to be found merely in debt relief.

Mr. **Miller**. Thank you. Thank you, Mr. Chairman.

Mr. **Murtha**. Mr. Young.

Mr. **Young**. General Woerner, in your statement, you point out that two-thirds of the illegal drug traffic into the United States and 100 percent of the cocaine come from Latin America. You also say that a tactical alliance exists between narcotraffickers and insurgents with the guerrillas selling protection to narcotraffickers to obtain funds to buy military equipment.

Is there any way to tell what percent of these insurgent organizations are involved in drug business?

General **Woerner**. ———.

Mr. **Young**. If the insurgents that are involved in the drug business were eliminated, what impact would that have on the drug business?

General **Woerner**. ———.

Mr. **Young**. General, you have proposed an initiative to provide excess department of defense material to countries in your region to combat drugs and insurgency.

To what countries and to what extent would you propose that excess equipment be provided?

General **Woerner**. Yes, as I have explained, I am interested in seeing a program initiated in Latin America which would be similar to our program whereby we transfer excess equipment to our Southern Flank NATO allies. Subject to availability, legal authority and funding to refurbish, I would recommend the following countries as candidates for equipment such as Colombia, Bolivia, Peru, Guatemala with Equipment, 2½ Ton Trucks, Jeeps, UH-1H helicopters, and Tactical Radio Sets.

Mr. **Young**. Do you know if the proper excess equipment is available and what are we doing with it now?

General **Woerner**. Yes, I would like to see a program in Latin America similar to that which we have under Section 516 of the Foreign Assistance Act for our NATO Southern Flank Allies. Most of the items of equipment I have identified are now or are in the process of being decommissioned. The major pieces of equipment would need to be refurbished and some expenditure of US funds would be needed to bring them up to operational service. For example, it costs approximately $231,000-$323,000 FMS aircraft price in "as is/where is" condition for a UH-1H helicopter and $400,000 to overhaul it. Of the approximately 150-200 UH-1's destined for retirement in fiscal year 1989 26 are presently scheduled for INM counterdrug programs. There may be a number of additional UH-1Hs available through fiscal year 1994. The other pieces of equipment, primarily trucks, jeeps and some communication gear are at various locations in the U.S.

CARIBBEAN BASIN RADAR NETWORK

Mr. **Young**. In your statement, you mention the Caribbean Basin Radar Network and its importance to regional security.

How will that network interface with the proposed southern sector of the OTHB radar?

General **Woerner**. The Over the Horizon Backscatter Radar southern sector and CBRN are complementary systems which accomplish distinctly different surveillance functions. OTHB provides early warning data over a wide area. CBRN provides more detailed data, precise location, altitude, identification friend or foe, within a limited area. OTHB and CBRN data will be automatically fused in the Northern Regional Operations Center at Key West, Florida.

PERU

Mr. **Murtha**. I have been reading more about Peru. I remember a banker who went down there two years ago said they had a terrible problem. What is this situation?

General **Woerner**. ———. Peru is the world's largest producer of cocoa—not Bolivia. Peru is in fact, the focal point for such activities. The Shining Path, along with the narco traffickers, in large measure have replaced the government in the upper northern part of the country, and I see no signs that the government or its armed forces or its police are prepared substantively to take on the challenge.

Mr. **Murtha**. Do you have any assistance in there at all?

General **Woerner**. We have—of course, we have the full range represented in our embassy, and I have a very small military group there. We are more frequently under sanctions than not because of Brooke-Alexander. We come out and we go back in, almost like a sine curve.

Compounding this difficulty is the fact that with the cutoff of U.S. assistance of the last two decades, the Peruvians turned to the Soviet Union. Today, I would estimate, about 70 percent of their equipment is provided by the Soviet Union, focused on the Army and the Air Force, not the Navy.

And there are up to one hundred Soviet technicians working with the military in Peru. The hierarchy of the military still seeks support from the United States, but we are facing in the future the phenomenon that the entire middle structure of the Peruvian Officer Corps has been trained in the Soviet Union, and in its satellites, not in the United States. ———.

SECURITY ASSISTANCE

Mr. **Murtha**. Several times when you talked about this whole issue, you suggested you need some flexibility and some military assistance money in some of these countries.

Now, the State Department prepared a list, and I assume you were involved with them in preparing a list of monies that would go to those countries. Have you worked with them, and do they confer with you about the amount of monies which would go to each of those countries? Have you seen that list?

General **Woerner**. Basically, I have very little opportunity to influence the allocation.

Mr. **Murtha**. I am talking about the $100 million the Administration is currently proposing. Have you had any influence at all in that allocation?

General **Woerner**. Very little, sir.

Mr. **Murtha**. Have you seen the list?

General **Woerner**. I do not know the breakout for 1990 that they are working on. I know the 1989 breakout.

Mr. **Murtha**. I think you are confusing it. The services have talked to us about the possibility of transferring $100 million for secruity assistance which they think is essential. This committee has supported security assistance and said to the State Department and the Defense Department, "Look, our commanders are saying they need more money." Now they prepared a list. Have you had input into that list?

General **Woerner**. With that list and with any other fallout monies or regular programs, I unsolicitedly——

Mr. **Murtha**. No, I have seen a list of countries with amounts of money. I assume they conferred with you before they made up this list. I would be disappointed if they didn't.

Have they not conferred with you on this list?

General **Woerner**. Sir, I am always at liberty, and I do exercise my prerogative to make recommendations. However, I strongly feel that I do not have an adequate role.

Mr. **Murtha**. This is the highest level between John Whitehead and Secretary Taft, they made up this list. Did you have input into that?

General **Woerner**. Yes, sir, I make my recommendations on it.

Mr. **Murtha**. So you are satisfied the amount of money in that list is what you recommended?

General **Woerner**. No, sir, not at all. I am neither satisfied with the amounts of money nor the distribution of those monies because they did not accept my recommendations. But I made the recommendations, and I accept the principle that at some point a decision——

Mr. **Murtha**. Somebody has to make a decision.

General **Woerner**. Somebody has to make a decision, right, sir.

Mr. **Murtha**. Thank you very much.

General **Woerner**. Thank you, sir.

Mr. **Miller**. I have some questions, if I could have them answered for the record.

Mr. **Murtha**. Without objection, Mr. Miller's questions will be answered for the record. The Committee stands adjourned. Thank you, General.

[Clerk's note.—Questions submitted by Mr. Miller and the answers thereto follow:]

ASSISTANCE FOR GUATEMALA

Question. In your statement you advocate the repeal of the congressionally imposed sanction which precludes Guatemala from purchasing weapons and ammunition with U.S. Security Assistance dollars, and I support your position. Can you give us some information as to how much and what types of military assistance the Guatemalans need?

Answer. The Guatemalan Armed Forces (GTAF) have large requirements for both lethal and non-lethal equipment. ——— scarce amount of Military Assistance Program (MAP) funds is currently being focused on repair and sustainment items. Among the types of military assistance needed by the Guatemalans are: Military engineering equipment. This includes maintenance and repair of existing equipment and acquisition of new equipment ———. Believe, with AMB Michel, that we should pursue a strategy of moderate sustained growth for MAP levels for Guatemala. The FY 90 Annual Integrated Assessment of Security Assistance (AIASA) for Guatemala recommends a level of $10–$15 million in MAP funds. I concur with these figures. They allow for sustainment and moderate growth without overloading the Guatemalan logistics system. In FY 1989, Guatemala is programmed to receive $9 million in MAP.

EDUCATION AND TRAINING

Question. In your statement you ask that Congress establish a program aimed at bringing Latin Americans from all segments of society to this country for study. As you indicated, the Soviets, Cubans, and other East Bloc nations have been providing over 10,000 academic scholarships per year to Latin American students. This does not bode well for the future of the region. Have you been able to estimate what it would cost for the United States to fund an academic program with a comparable number of students?

Answer. USSOUTHCOM preliminary estimates to provide full scholarships is based on $5,000 per year for tuition, room and board for 10,000 students, plus $1,000 per student for transportation. Total cost would be approximately $60,000,000. It is not my intent that the Federal Government fund the entire bill. Ideally, we would be able to get additional voluntary funding from large U.S. business concerns, civic organizations, and schools.

Question. What is the possibility of persuading our nation's colleges and universities to participate in this endeavor? Would they be willing to partially underwrite or subsidize this effort?

Answer. Our nation's colleges and universities already participate in an endeavor to support a significant number of academic scholarships through a variety of means, including waiver of out of state tuition at state universities and other scholarship programs. There is every reason to believe that US universities would support and participate in an expanded effort using means similar to those in current practice.

SITUATION IN LATIN AMERICA NEXT FIVE YEARS

Question. There used to be a commercial on television about transmission repairs which advised and warned the viewer, you can pay me now, or you can pay me later. The message was clear, failure to deal with a relatively small problem will result in a more costly fix in the future. I think that is your primary message to us today. Can you give us a realistic description of what the situation in Latin America will be in 5 years if the U.S. fails in its efforts to instill democracy and defeat communist insurgencies?

Answer. There are few pleasant outcomes if the United States fails to deal with current problems plaguing Latin American democracies ———. We have a choice today. We can support the many fragile democracies in Latin America against diverse threats; communist insurgencies being just one, narco trafficking another, or, we can withdraw support from the region and watch these democracies fall to interests inimical to our own. Our security interests dictate that sooner rather than later we will have to pick up the pieces. If we do nothing now, that cost will be astronomical later—if it can be done at all.

[CLERK'S NOTE.—End of questions submitted by Mr. Miller. Questions submitted for the record and the answers thereto follow:]

EL SALVADOR

Question. What is the outlook for the upcoming Presidential elections in El Salvador being held with a minimum of violence?

Answer. The March 1989 presidential elections will be the sixth national election held in El Salvador since 1982. In the past elections, the communist Farabundo Marti National Liberation Front (FMLN) guerrillas have recognized the threat that the democratic process poses for them and have resorted to intimidation and terror in order to disrupt the electoral process. Before the 1985 elections, the FMLN burned eight town halls with voter rolls in an attempt to disrupt the elections. Before the 1988 elections, the FMLN murdered campesinos who publicly declared that they would vote in the upcoming elections. Since the elections of 1988, FMLN terrorists have murdered at least eight town mayors and intimidated dozens of others to force them to resign. In January 1989, the FMLN murdered the governor of the department of Usulutan. The Government of El Salvador and the Armed Forces have made election security their highest priority during each national election. The performance of the Armed Forces has helped ensure that a majority of the Salvadoran voters have been able to participate in the electoral process. The last five national elections have seen voter turnouts that ranged from 66%-80% of eligible voters.

It is likely that the FMLN will attempt to carry out the same tactics of terror and intimidation that they have in past elections. The response of the El Salvador Armed Forces will ensure that a majority of Salvadoran voters will be able to participate in the electoral process.

IMPLICATIONS OF NO PERMANENT BASES IN LATIN AMERICA

Question. Terms of the 1977 Panama Canal Treaty terminate US basing rights in Panama at noon on 31 December 1999. In the absence of any changes to existing agreements, the U.S. will have no permanent military bases in Latin America or Central America to achieve its regional security objectives. From your perspective, what are the implications of that fact?

Answer. ———. The strategic implications of lost basing rights in this theater are extremely significant. The bottom line on this issue is that we can project military power without secure bases only at significantly greater military risk, higher cost, and degraded capability—all over an extended period of time.

INSURGENCIES IN COUNTRIES OTHER THAN NICARAGUA AND EL SALVADOR

Question. To what extent is there evidence of Soviet bloc support, either directly or through their Western Hemisphere surrogates for these insurgencies?

Answer. The Soviet Union continues to export revolution in the form of military aid, training and diplomatic support. The USSR, East Germany, Cuba, and Nicaragua provide substantial direct and indirect assistance to the majority of insurgencies in the region. This support has grown over the past decade resulting in an increase in the capabilities of the region's leftist insurgent groups.

According to the Defense Intelligence Agency, through its support and sponsorship of vanguard political parties connected directly with insurgent groups, the Soviet Union maintains ideological influence within the hemisphere. Examples include the Guatemalan Communist Labor Party; the Patriotic Union—the political arm of the Revolutionary Armed Forces of Colombia (FARC) in Colombia, and the Chilean Communist Party. In spite of this support, there is little evidence to indicate that the Soviet Union maintains guerrilla training camps or directly equips insurgent groups, a task which has been left to the above mentioned Soviet surrogates.

Question. Provide details for the record on the sources and types of support that these insurgencies are receiving.

Answer. ———.

AIR MOBILITY

Question. What are your requirements for a STOL aircraft for intertheater airlift in SOUTHCOM?

Answer. USSOUTHCOM's requirements for ten STOL aircraft have been validated over the last four years and are based on daily operational necessities. Airland/airdrop resupply, insertion/removal of troops, contingency planning requirements, civic action/humanitarian assistance, medical evacuation, non-combatant evacuation, disaster relief, tactical intelligence, PSYOP, exercise and deployment for training support, counterdrug operations, special operations forces support and assistance to friendly governments in the region are all missions performed routinely by USSOUTHCOM.

Question. Funds are included in the fiscal year 1990 and 1991 budget for STOL aircraft for SOUTHCOM. What increased intratheater airlift would these aircraft provide to Southern Command as opposed to your present capability?

Answer. A STOL airlift capability will provide access to over 90% of the airfields in SOUTHCOM which are not usable by C–130 aircraft. Helicopters are very limited by range and payload, significant logistics support required for operation, high maintenance costs, high flying hour consumption and increased political sensitivity associated with their high visibility operations. The C–27 aircraft will fill the critical void between C–130 and helicopter capabilities. This conventional force multiplier is essential to a theater where airlift is vital to mission execution. It will improve force responsiveness, readiness, and most importantly, operational capability.

NATIONAL GUARD AND RESERVES FORCES

Question. To what extent does CINCSOUTH depend on Reserve personnel? On National Guard personnel?

Answer. USCINCSO and his Service Component Commanders rely heavily on Reserve and National Guard units and personnel to accomplish the missions assigned to their respective Commands. The success U.S. Southern Command has achieved thus far would not have been possible without the Reserve Component. To begin to gauge the magnitude of this involvement, over 75,000 Army National Guard and Army Reserve men and women have trained in this theater since 1983, approximately 18,000 in FY 88 alone. This involvement primarily takes the form of engineer and medical training exercises designed to further USCINCSO initiatives to assist regional governments consolidate their country's democracy. Costa Rica, Ecuador and Honduras have been the principal recipients.

Question. In your opinion, is there a requirement for additional support from the Reserve Components?

Answer. We could certainly use additional support particularly in the areas of civic assistance, engineer, and medical training with host country personnel. USAR and Navy Reserves would also be of benefit. The National Guard Bureau and the Office of the Chief, Army Reserve have aggressively sought to train in the U.S. Southern Command Area of Responsibility (AOR). Their excellent record speaks for itself. The Army Component, U.S. Army South, works closely with these offices as well as with U.S. Southern Command and the Country Teams to identify new training initiatives. In FY 88 for example, this process produced additional medical and dental readiness training exercises in Guatemala and Bolivia, annual training both Reserve and National Guard Military Police platoons in Panama, and deployments to Honduras for several artillery batteries. The search for new initiatives for the Reserve Components continues with the assurance that when they are identified Reserve or National Guard units will support them if at all possible.

Question. How well do the assigned units perform their missions?

Answer. Reserve Component units have successfully accomplished all their assigned missions. The units and individuals which have deployed to USSOUTHCOM have shown themselves to be knowledgeable in job skills and motivated to train. We have been extremely pleased with their level of competence.

Question. Are you aware of any problem areas? If so, what are they and what recommendations do you have to correct any deficiencies?

Answer. (1) One problem area is allowing sufficient planning time for Reserve Component units to prepare to train in Latin America. These units need an 18–24 month lead time for proper staff planning and unit preparation. This is not always possible. Many of our training opportunities are developed on short notice and in any event all require a host nation invitation. Every effort is made to gain an early commitment and to make requirements more predictable and easier to understand.

(2) Military Police units have proven themselves to be invaluable in a low intensity conflict environment which places a premium on a proper interaction with local people. Military Police units, particularly Reserve Component units, are well prepared for training in this environment. They also are well prepared for duty as several different Military Police units demonstrated in Panama in 1988. The National Guard alone is programmed to lose more than 1600 Military Police spaces by FY 91.

SOUTHCOM'S AREA OF RESPONSIBILITY

Question. General, although the Southern Command's (SOUTHCOM's) area of responsibility covers Central America and South America, it does not include the Caribbean or Mexico. Does that fact impede in any way the carrying out of the SOUTHCOM mission?

Answer. ———. Notwithstanding the above, please recognize this is from a USCINCSO perspective. Commander in Chief of the Atlantic Command could well express some cogent arguments for allowing the insular Caribbean to remain in his AOR. Commander in Chief of the Forces Command, too could make an argument for the inclusion of Mexico in his AOR.

Question. General, although SOUTHCOM's area of responsibility covers Central and South America, it does not include the Caribbean or Mexico, are there any shortfalls in your ability to carry out your mission because of this?

Answer. If Mexico were part of my area I could address regional issues more substantively, more comprehensively. But, I could never make the position that the current arrangements cannot work or are doing serious damage. While I think a realignment would improve the situation, I could not put it in a category of absolutely critical or essential.

COMMANDER IN CHIEF'S (CINC'S) INPUT TO THE DEFENSE BUDGET

Question. Please explain how you, as Commander in Chief of the Southern Command, submit your requirements to Department of Defense and how are these requirements considered in the overall budget process? What is your involvement in the decision process after the requirements are submitted?

Answer. USSOUTHCOM resourcing requirements are submitted by my component commanders to their respective Service headquarters. I highlight my top concerns directly to the Secretary of Defense and the Chairman of the Joint Chiefs of Staff through my integrated priority list. I actively track my top priority programs during the budget process and have adequate opportunities to appeal service and Office of the Secretary of Defense decisions.

Question. What is your evaluation of the process used by DOD to obtain CINC input to the budgeting process?

Answer. The programming and budgeting process in Office of the Secretary of Defense provides me the opportunity and the information to participate in the decisionmaking process throughout the budget cycle. It is an effective process.

Question. The Southern Command is one of the most important world regions of vital interest to the U.S. Do your budget requirements receive priority treatment by the Department of Defense and the Office of Management and Budget (OMB) in the budget reviews?

Answer. My budget requirements are given the same visibility other regional CINCs have during the budget reviews. Generally speaking, my programs are small and are well supported by the Service and OSD staffs.

Question. At this point in the budget preparation process, has your budget request been reduced for fiscal year 1990 and 1991 in the readiness and sustainability areas?

Answer. I have accepted a five percent cut in exercise funding. I am not aware of any further reductions in my funding support.

ROLE OF SOUTHCOM IN DRUG INTERDICTION

Question. What level of effort is SOUTHCOM placing on countering the flow of drugs from Latin America?

Answer. Because narcotrafficking is a significant threat to the national security of the United States and the fragile democracies USSOUTHCOM is charged to support, I have given top priority to increasing our counterdrug effort. To enhance SOUTHCOM's contribution, my Counterdrug Task Force is developing a comprehensive strategy and ensuring that all elements of USSOUTHCOM expend appropriate resources and efforts to implement this plan. As our role is currently one of support, we will continue to assist US law enforcement agencies and to provide the tools to Latin American nations so that they may contribute to defeating this international problem. SOUTHCOM's increased level of effort, however, remains restricted by U.S. law and contingent upon host nation cooperation and SECSTATE/INM and security assistance funding. Within these boundaries SOUTHCOM's evolving strategy includes two broad mission areas: Increasing host nation and United States Government agency interdiction capabilities by providing training, equipment and technical advice; enhancing interagency source intelligence and surveillance information for transit and terminal interdiction operations.

Question. Is the effort SOUTHCOM is placing on countering the flow of drugs from Latin America detracting from it's primary mission?

Answer. ———.

Question. What formal agreements and/or type of interaction do you have with United States Federal agencies or Departments which are involved in countering drug trafficking?

Answer. Few formal agreements are required between SOUTHCOM and United States Government agencies. First, DOD directives (DODD 5525.5) establish the Assistant Secretary of Defense for Force Management and Personnel (ASD-FM+P) as the DOD office responsible for coordinating support to non-DOD agencies. Thus, Memoranda of Understanding and similar formal documents are normally exchanged between SECDEF and other United States Government agencies SOUTHCOM support, which is conducted at the regional level, is coordinated with the involved US Country

Team and approved by JCS and SECDEF via cable traffic. Our direct representative with the Regional Country Team is the Security Assistance Office. This procedure is consistent with the "bottom-up" approach that appropriately has the Ambassador and his interagency narcotics coordination committee requesting and coordinating DOD counterdrug support.

Formal interaction with non-DOD agencies at the national level is handled through ASD-FM+P via JCS, and at the regional level through US Embassy country teams. Routine coordination and communication with non-DOD agency representatives at both levels is channeled through SOUTHCOM's Counterdrug Task Force. SOUTHCOM is working with DOD and several non-DOD agencies to enhance this interface by assigning liaison officers to the SOUTHCOM Task Force and headquarters staff.

Question. Do you have adequate communications, command, and control mechanisms to support the SOUTHCOM effort in the U.S. drug interdiction effort?

Answer. In order to support Department of Defense's (DOD), new detection and monitoring mission, we have identified initial shortfalls. Funding has been requested from the $300 million provided in the 1988 Defense Authorization Act. ———.

Question. Are there any specific requests in the fiscal year 1990-1991 budget for additional equipment for SOUTHCOM to assist in the drug interdiction effort?

Answer. USSOUTHCOM currently has no specific requests in the fiscal year 1990-1991 budget for drug interdiction but with our new counterdrug mission and the reprioritization of effort within DoD, I would expect we will see some type of rework of the 1990-1991 budgets.

The 1990-1991 budget was formulated prior to DOD's counterdrug surveillance and monitoring tasking and some of USSOUTHCOM's top priority programs, which are carried in the Service budget requests, fund capabilities that contribute directly to the drug interdiction effort. For instance, the Caribbean Basin Radar Network (CBRN) provides us with an excellent capability to monitor drug trafficking aircraft. Furthermore, exercises which are conducted in concert with the militaries of LATAM countries, teach methods by which host country personnel can counter drug trafficking operations in their nations.

DRUG ENFORCEMENT ADMINISTRATION (DEA) PARAMILITARY OPERATIONS

Question. What is your opinion of the work that the DEA is doing in Bolivia and Peru?

Answer. First, I must comment that DEA has undertaken an extraordinarily demanding and dangerous, yet vitally important mission in these Andean countries. The objective of disrupting the production and transit of cocaine at source locations is an essential part of United States counterdrug strategy. Narcotraffickers must not be permitted to operate with impunity from cultivation to street sales. Bolivia and Peru are the appropriate source targets as approximately 90% of the world's coca emanates from here. The goals are correct, but the implementing strategy has unfortunately not produced desired results. ———.

Question. Some people are getting concerned about the appearance that DEA is fighting the drug war for the local governments. What is your opinion on the use of the DEA agents in South America?

Answer. ———.

Question. Do you believe that DEA agents are properly trained to be carrying out this mission in South America?

Answer. Source interdiction in the South American jungle is an extremely demanding paramilitary mission that requires extensive tactical skills and operational experience. DEA has honorably taken on this task and sought DOD assistance to increase the capabilities of their agents. SOUTHCOM has supported this effort through jungle survival and tactical operations training. Measurable improvements in agent capabilities have been seen. However, in a short course it is extremely difficult to infuse tactical attitudes, build team skills and develop the expertise required for this type of mission. For example, it takes approximately five years of concentrated training and operational experience to qualify our Special Forces personnel. As the United States military is legislatively prohibited from directly participating in this effort, SOUTHCOM's role is important in assisting DOD to provide a comprehensive and realistic program of instruction for these DEA personnel.

ECONOMIC CHOICES FOR COCA FARMERS

Question. It is our understanding that growing a coca crop is very lucrative. U.S. assistance to grow other crops is not accepted because more money can be made from coca. For example, at current prices, coca remains 2–3 times as profitable as crops such as pineapples or macadamia nuts. With this kind of incentive to grow coca, how can the U.S. hope to stop the farming of this drug?

Answer. There is hope, but the strategy is more complex than simple payment to the coca growers and faces considerable challenges. The success of this program is tied to factors which effect the market price for this illegal crop, which is much more volatile than pineapples or macademia nuts.

The production cost of coca growing is fairly stable at $30 per 100 lbs of leaf (a "carga") or $610 per acre since Bolivia's average yearly yield is about 2000 pounds per acre. However, in the last 18 months, the carga market price has fluctuated between approximately $40 and $200. This brought the peasant growers between $800 to $4000 per acre.

The article quoted in your question (Washington Post 16 JAN 89) was fairly accurate except for the $5000 per acre payment for voluntary eradication. The figures reported by the Government of Bolivia on 29 DEC 88 reflect a pro-rata payment at $1040 per acre. Therefore, at the low market price in 1988, the peasant would have made about $840 per acre to destroy his field. At the high end last year, he would have been about $2400 better off by growing coca.

Interdiction of coca labs and the transport of coca/cocaine products in the region is the key determinant of the coca leaf market price. Effective interdiction efforts (such as the U.S. military assistance during Blast Furnace in 1986 that temporarily dropped the carga price below $20) is integral to the voluntary eradication program. However, long term inducements are also required. This includes developmental assistance that provides the technology and infrastructure to make cultivation of legal crops an immediate and long term money making investment for the peasants.

Question. A recent news article mentioned a program which the U.S. has developed which pays South American farmers to destroy their coca crops. Do you know anything about this problem?

Answer. Yes, a little. The U.S. is cooperating with the Government of Bolivia in this voluntary eradication program. Although financially strapped Bolivia provides some funds, the UN contributes, but the U.S. is the major source (USAID and ESF). The program is administered by the Bolivian coca reduction agency DIRECO which comes under the Ministry of Agriculture's Sub-Secretary for Alternative Development. DIRECO has 28 three-member teams that serve as "salesmen" in coca growing regions. It is their task to convince village and coca union leaders, and in turn peasants, to accept payment for voluntarily destroying their coca crop. The program theoretically should work, but the success is tied to the market price for the leaf and the amount of money available (There is an ever increasing amount of coca being cultivated). Money currently available is not enough. The U.S. FY89 allotment of $25M ESF falls far short of the requirement. Bolivia's Interior Minister Duran has said that approximately $350 million would be needed in 1989.

Question. In addition, your statement includes a proposed initiative which would provide excess DOD material, at no cost, to governments combating drugs and insurgency. Would you elaborate on this initiative? Have you provided our foreign operations subcommittee with either of these ideas?

Answer. The major drug producing and transit countries in South America are struggling with insurgencies that also threaten their national security. Unfortunately, these nations do not possess adequate equipment resources to combat these threats. This is particularly evident in tactical mobility assets such as helicopters, land vehicles and riverine and patrol craft. These assets would cover a significant resource gap that currently limits these nations' counterdrug and counterinsurgency capabilities.

Question. This article indicated that the farmers are destroying older and unproductive crops for the money and then planting new crops. Do you think this is true? If so, how could we monitor this activity?

Answer. Yes, I believe the peasants are abusing the current system. Often, they destroy fields that are accessible and plant new fields further into the jungle which are often shielded from inspection due to remoteness and the triple-canopy cover. We must also consider that it takes almost 3 years for a coca plant to mature and the fields inaccessible for inspection pose a certain degree of production/transportation problems for the grower. Monitoring who takes payment for destroying one crop only to plant elsewhere is not the issue. The enormous profit-led expansion of coca cultivation is. This is why payments to destroy fields by itself is a waste of money. Payments combined with effective interdiction that lowers the profit margin and developmental assistance provide short and long term inducement to change to more profitable (and legal) crops.

UNITED STATES FINANCIAL AID AND DRUG INTERDICTION

Question. In your statement, you mentioned one way to strengthen democracy in South America, would be to tie U.S. financial aid to demonstrated action against drug cultivation and trafficking. Would you elaborate on this approach?

Answer. ———.

[CLERK'S NOTE.—End of questions submitted for the record.]

THURSDAY, FEBRUARY 9, 1989.

COMMANDER IN CHIEF, UNITED STATES SPACE COMMAND

WITNESS

GENERAL JOHN L. PIOTROWSKI, COMMANDER IN CHIEF, UNITED STATES SPACE COMMAND

INTRODUCTION

Mr. MURTHA. The committee will come to order.

Today we are pleased to welcome General John Piotrowski in his first appearance before the committee as Commander in Chief of the United States Space Command.

General, we will place your biographical sketch and the complete text of your statement in the record.

We would appreciate it if you wouldn't use any charts. If you want to put them in the record, that is fine.

We have some serious problems with Cheyenne Mountain and, as you know, we have asked GAO to look into them.

After you are finished with your statement, we are going to concentrate on those problems, and if you don't have the answers, we are going to ask you to come back.

Please proceed with your statement.

SUMMARY STATEMENT OF GENERAL PIOTROWSKI

General PIOTROWSKI. Thank you, Mr. Chairman.

I welcome this opportunity to appear before the committee. I have submitted a written statement for the record. I will make a few remarks and then look forward to your questions.

As you know, the United States Space Command is a unified command with three subordinate units: Air Force, Naval and Army, comprised of about 15,000 personnel; a growing command with responsibilities for space support, space control, ballistic missile warning, and also planning and development and preparation for ballistic missile defense, and ———.

Let me talk about each of those missions briefly.

UNITED STATES VS. SOVIET UNION LAUNCHES

First, let me talk about the asymmetry that exists between the Soviet Union and the United States in our space infrastructure. I would use just a few benchmarks. For example, the Soviets have launched over 2,000 spacecraft since Sputnik. The United States has launched 913. Our launch infra-structure consists of 10 operational satellite launch pads the Soviet Union consists of 20 launch pads and are ———. We are building towards 12. So they will have more ——— of launch pads than we do in the early 1990s.

They have a current stable of operational boosters that have launched over 1,600 spacecraft. Our current stable of space-launch boosters have accounted for three launches, two for the remodeled and upgraded shuttle and one for the Titan II. Last year, the United States launched 12 spacecraft; the Soviets launched 94. We have about 16,000 people in the space launch business, mostly contractors. The Soviets have 111,000, or a ratio of roughly 7 to 1. They have a war readiness stockpile of boosters and satellites that are ready to launch.

For example, if we look back to April to June of 1982, during the Falkland war when the Soviets saw an opportunity to look at Great Britain, a NATO ally, and how they fight, they launched in a period of 69 days 29 spacecraft. ———.

What is important is their ability to quickly jump into space with a large number of warfighting spacecraft.

The Soviets have the United States outnumbered 2 to 1 in launch infrastructure, about 36 to 1 in launch boosters, and over 25 to 1 in launch responsiveness.

I mentioned one benchmark, the Falkland war. The average time it takes us to put a spacecraft into orbit and turn that over to the operator is roughly 180 days. Half of that time is used for preparing the booster and the payload on the ground; the remainder of the time is used for turning the satellite on and getting it ready for operational use in space. ———.

While our response time is measured in weeks and months, theirs is measured in hours and days so their responsiveness could be a factor of as much as 100 to 1 to ours.

The former Secretary of the Air Force visited Tyuratam and asked the Soviets how they were able to launch so many spacecraft. One of the answers they gave is they prepared two at any given time, wheeled them out to the pad, and then launched the one of their choice. We don't have that capability even if we wanted to do that because all our launch facilities are limited to one booster and one spacecraft at a time. ———. Having said that and pointed out how much more robust and responsive the Soviets are, it is essential to also note that our spacecraft are more reliable, finer grained, and longer lived.

ANTI-SATELLITE CAPABILITY

If it weren't for the fact that the Soviets not only have one form of anti-satellite weapon, but at least four, it wouldn't matter that they have this great robustness. Not only do they have an operational coorbital antisatellite weapon, they also have two high-power lasers at Sary Shagan, which have been operational for a number of years ———. In addition, the USSR has an impressive ECM capability in their ASAT arsenal.

When I asked the CIA how effective the Soviets were, they published a study showing that the ———. When you consider their ability to launch quickly and the fact that they have anti-satellite weapons to destroy our systems, it is clear that we are depending on Soviet strategic philanthropy to be allowed to operate our satellites in a period of tension or conflict.

This Nation needs an anti-satellite weapon to deter the Soviets from using theirs against our systems and in order to sweep the skies clear of Soviet satellites that threaten our forces. For example, their electronic intelligence ocean reconnaissance satellites, radar ocean reconnaissance satellites, and imagery satellites.

Earlier, I mentioned the Falkland war. ———. The Soviets aren't launching more frequently. Their spacecraft are just getting better.

MISSILE WARNING

I will now turn to missile warning, which is perhaps the most important responsibility of the unified United States Pace Command.

The Defense Support Program is working well. ———. We have also improved system reliability with human intervention so that the information flowing to my mountain headquarters is reviewed by the operators at the receiver sites in Australia ——— and verified by them as valid, then manually released to the Cheyenne Mountain Headquarters as well as other forward users. As soon as the missile launch data is received, Cheyenne Mountain operators verify that what is being seen is what is being sent.

I am confident that the system is reliable and that should the Soviets launch, it will be detected and we will be able to pass that information to the National Command Authorities very rapidly.

We looked at ——— incidents of reporting and the time from the instant of missile launch until a launch event was displayed in my headquarters ———. Missile launch information comes quickly and reliably.

To give you an idea of how often the Integrated Tactical Warning and Assessment system is exercised, in the last two years, the Soviets, the U.S. and other nations launched over ——— missiles and spacecraft, ———.

The Soviets represent some ——— of all missile launches and some ——— of all satellite launches, which illustrates the robustness of their satellite and missile booster production base. As the result of the large number of space and missile launches conducted by the Soviets, our Defense Support program and the people that operate that system experience an average of ———. The DSP system is well exercised.

I talked to you, sir, privately about the need to build spacecraft that directly support the warfighters. The Defense Acquisition Board approved Milestone O for the Air Force and the Navy to proceed with a concept exploration of space-based surveillance system. ———. We looked at what there is to monitor in terms of aircraft and ships and found $411 billion worth of Soviet, Warsaw Pact and other potential adversaries that such a system could track from origin.

We could track, for example, from Colombia to any point in the United States an aircraft originated from there and pass that track information to the appropriate authority for drug interdiction.

The mission of detecting and tracking airborne illegal drug traffickers has been assigned to my NORAD headquarters. We are excited about the ability of space systems to contribute significantly to that important mission.

What we do well in space is navigation, communication, surveillance, and we need to improve the surveillance systems that feed directly to our warfighters.

Another potential concept is an optical system to provide information on whether ships were in harbor, or aircraft on the airfield, tanks in garrison or deployed. ———.

I have been in the Air Force now for 37 years, started out as enlisted. I can tell you and members of your committee that we have today the finest young men and women, better educated, more aware, more committed, confident that they are serving a noble purpose, and committed to do it right. They are proud of what they are doing.

Unfortunately, I constantly see their compensation eroding in terms of dollars and cents as compared to their comparable occupations on the outside, but also in terms of total compensation.

In the past it was appropriate to charge just a small sum for recreational activities, to repair cars in the hobby shop, to take care of children in the child care center, to be able to recreate in swimming pools, bowling alleys, et cetera. These charges have increased as much as a thousand percent. In some cases where fees didn't exist, it now costs $2.00 an hour to work in a wood hobby shop, for example. Our people have not been compensated for that increase in fees. They are charged to use facilities that used to be provided for them. I believe that we are sending the wrong message to our young people and that message is that we don't care about them or we don't really believe their services are necessary because we are not providing compensation for them.

That completes my remarks. I would be happy to respond to your questions.

[The biographical sketch and statement of General Piotrowski follow:]

Biography
United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

GENERAL JOHN L. PIOTROWSKI

General John L. Piotrowski is commander in chief of the North American Aerospace Defense Command and the United States Space Command, with consolidated headquarters at Peterson Air Force Base, Colo.

General Piotrowski was born Feb. 17, 1934, in Detroit and graduated from Henry Ford Trade School, Dearborn, Mich., in 1951. He attended Arizona State University and Florida State University, and graduated from the University of Nebraska at Omaha in 1965 with a bachelor of science degree. He did postgraduate work at the University of Southern California and Auburn (Ala.) University, and attended the program for management development at Harvard University. The general completed Squadron Officer School in 1956, Air Command and Staff College in 1965, Armed Forces Staff College in 1968 and the Royal Air Force College of Air Warfare, Royal Air Force Station Manby, England, in 1971.

He enlisted in the U.S. Air Force in September 1952. After basic training at Lackland Air Force Base, Texas, he was assigned to Keesler Air Force Base, Miss., as a student in basic electronics and ground radar.

In July 1953 General Piotrowski transferred to Harlingen Air Force Base, Texas, for navigator and observer training in the aviation cadet program. After graduating as a distinguished graduate, he was commissioned a second lieutenant in the Air Force in August 1954. He then returned to Keesler Air Force Base for advanced training in electronic countermeasures. In January 1955 he received the electronic warfare rating and was assigned to the 67th Tactical Reconnaissance Wing in South Korea and Japan as an electronic warfare officer and RB-26 navigator.

The general returned to the United States in May 1957 for pilot training at Marana Air Base, Ariz.; Bainbridge Air Base, Ga.; and Bryan Air Force Base, Texas. He then attended F-86F advanced gunnery training at Williams Air Force Base, Ariz. After graduation he was assigned as armament and electronics maintenance officer at Williams and, later, at Luke Air Force Base, Ariz. In May 1961 he moved to Eglin Air Force Auxiliary Field 9, Fla., and joined the initial cadre of Project Jungle Jim, which became the 1st Air Commando Wing. While assigned to Eglin, he served in Southeast Asia, from November 1961 to May 1963, as a munitions maintenance officer, and T-28 and B-26 combat aircrew member.

In August 1965 General Piotrowski joined the Air Force Fighter Weapons School at Nellis Air Force Base, Nev., and served as an F-4C instructor pilot, chief of academics, an academic instructor and project officer for the Air Force operational test and evaluation of the Walleye

(Current as of March 1987)

OVER

missile program. Upon completion of testing in the United States, he introduced the Walleye into combat with the 8th Tactical Fighter Wing in Southeast Asia. After graduation from the Armed Forces Staff College in August 1968, he was assigned to Headquarters U.S. Air Force, Washington, D.C., as an action officer under the deputy director of plans for force development.

From December 1970 to July 1971 he attended the Royal Air Force College of Air Warfare. He was then assigned to Bitburg Air Base, West Germany, as assistant and, subsequently, deputy commander for operations, 36th Tactical Fighter Wing. In January 1972 he took command of the 40th Tactical Group, Aviano Air Base, Italy.

In April 1974 General Piotrowski became chief of the Air Force Six-Man Group, located at Maxwell Air Force Base, directly responsible to the chief of staff. He became vice commander of Keesler Technical Training Center, Keesler Air Force Base, in March 1975.

He took command of the reactivated 552nd Airborne Warning and Control Wing at Tinker Air Force Base, Okla., in July 1976 and was instrumental in establishing the E-3A Sentry Airborne Warning and Control System aircraft as an operational Air Force weapon system. General Piotrowski was named deputy commander for air defense, Tactical Air Command, Peterson Air Force Base, in September 1979. In April 1981 he became Tactical Air Command's deputy chief of staff for operations at Langley Air Force Base, Va., and in August 1982 was assigned as the command's vice commander. He served as commander of 9th Air Force, Shaw Air Force Base, S.C., from October 1982 to July 1985, when he became vice chief of staff of the Air Force, Washington, D.C. He assumed his present command in February 1987.

The general is a command pilot with more than 5,000 flying hours, including 100 combat missions and 210 combat flying hours. His military decorations and awards include the Defense Distinguished Service Medal, Distinguished Service Medal, Legion of Merit, Meritorious Service Medal with two oak leaf clusters, Air Medal with two oak leaf clusters, Air Force Commendation Medal with one oak leaf cluster, Presidential Unit Citation and Air Force Outstanding Unit Award with three oak leaf clusters. He received the Eugene M. Zuckert Management Award for 1979.

He was promoted to general Aug. 1, 1985, with same date of rank.

General Piotrowski is married to the former Sheila Dee Fredrickson of Racine, Wis. They have one daughter, Denise Lynn, and two sons, Scott Lee and Jon Dee.

PERSONAL FACT SHEET - GENERAL JOHN L. PIOTROWSKI

A. Personal Data

1. Born - Feb. 17, 1934, Detroit.
   Father - John Piotrowski (deceased); mother - Mary Hellstein.

2. Married - Dec. 22, 1961; wife - Sheila Dee Fredrickson.
   Children - Denise Lynn, Scott Lee and Jon Dee.

3. Hometown - Detroit.

B. Education

Graduated - Henry Ford Trade School, Dearborn, Mich., 1951; University of Nebraska at Omaha, bachelor of science degree, 1965; postgraduate work at the University of Southern California and Auburn (Ala.) University; attended - program for management development, Harvard University; graduated - Squadron Officer School, 1956; Air Command and Staff College, Maxwell Air Force Base, Ala., 1965; Armed Forces Staff College, Norfolk, Va., 1968; Royal Air Force College of Air Warfare, Royal Air Force Station Manby, England, 1971.

C. Service

1. September 1952 - July 1953, enlisted, basic training, Lackland Air Force Base, Texas, and electronics and ground radar training, Keesler Air Force Base, Miss.

2. July 1953 - August 1954, navigator and observer training, aviation cadet program, Harlingen Air Force Base, Texas.

3. August 1954 - January 1955, student, electronic countermeasures, Keesler Air Force Base, Miss.

4. January 1955 - May 1957, electronic countermeasures officer, 11th Tactical Reconnaissance Squadron, and RB-26 navigator, 67th Tactical Reconnaissance Wing, South Korea (later in Japan).

5. May 1957 - June 1958, student, officer flying training, Marana Air Base, Ariz.; Bainbridge Air Base, Ga.; and Bryan Air Force Base, Texas.

6. June 1958 - May 1961, advanced gunnery training (F-86F); armament systems and electronics maintenance officer, Williams Air Force Base, Ariz. (later at Luke Air Force Base, Ariz.).

7. May 1961 - July 1964, armament and avionics munitions maintenance officer, 1st Air Commando Wing, Eglin Air Force Auxiliary Field 9, Fla. (temporary tour of duty to Southeast Asia, November 1961 to May 1963 - flew 120 missions in T-28s and B-26C's).

8. July 1964 - August 1965, tactical fighter pilot, 603rd Fighter Squadron, 1st Air Commando Wing, and 319th Air Commando Squadron, Eglin Air Force Auxiliary Field 9, Fla.

(General Piotrowski cont.)

9. August 1965 - February 1968, tactical fighter-bomber course instructor, F-4C instructor, aircraft operations, U.S. Air Force Fighter Weapons School, and chief of academics, 4525th Fighter Weapons Wing, Nellis Air Force Base, Nev. (temporary tour of duty to Southeast Asia, June to October 1967 - flew combat missions in the F-4D, introducing electro-optical Walleye in theater).

10. February 1968 - August 1968, student, Armed Forces Staff College, Norfolk, Va.

11. August 1968 - December 1970, plans and programs officer, Munitions Plans Branch, War Mobility Plans Section, Mobility Support Branch, and Non-Nuclear Weapons Section, Directorate of Plans for Force Development, Office of the Deputy Chief of Staff, Plans and Operations, Headquarters U.S. Air Force, Washington, D.C.

12. December 1970 - July 1971, exchange student, Royal Air Force College of Air Warfare, Royal Air Force Station Manby, England.

13. July 1971 - January 1972, assistant deputy commander for operations, and later deputy commander for operations, 36th Tactical Fighter Wing, Bitburg Air Base, West Germany.

14. January 1972 - April 1974, commander, 40th Tactical Group, Aviano Air Base, Italy.

15. April 1974 - March 1975, chief, U.S. Air Force Six-Man Group, Maxwell Air Force Base, Ala.

16. March 1975 - July 1976, vice commander, Keesler Technical Training Center, Keesler Air Force Base, Miss.

17. July 1976 - September 1979, commander, 552nd Airborne Warning and Control Wing, Tinker Air Force Base, Okla.

18. September 1979 - April 1981, deputy commander for air defense, Tactical Air Command, Peterson Air Force Base, Colo.

19. April 1981 - August 1982, deputy chief of staff, operations, Headquarters Tactical Air Command, Langley Air Force Base, Va.

20. August 1982 - October 1982, vice commander, Tactical Air Command, Langley Air Force Base, Va.

21. October 1982 - July 1985, commander, 9th Air Force, Shaw Air Force Base, S.C.

22. July 1985 - February 1987, vice chief of staff, U.S. Air Force, Washington, D.C.

23. February 1987 - present, commander in chief, North American Aerospace Defense Command and U.S. Space Command, Peterson Air Force Base, Colo.

(General Piotrowski cont.)

D. Decorations and Service Awards

Defense Distinguished Service Medal
Distinguished Service Medal
Legion of Merit
Meritorious Service Medal with two oak leaf clusters
Air Medal with two oak leaf clusters
Air Force Commendation Medal with one oak leaf cluster
Presidential Unit Citation
Air Force Outstanding Unit Award with three oak leaf clusters
Good Conduct Medal
National Defense Service Medal with one service star
Vietnam Service Medal with three service stars
Air Force Longevity Service Award Ribbon with six oak leaf clusters
Small Arms Expert Marksmanship Ribbon
Republic of Vietnam Gallantry Cross with Palm
Republic of Vietnam Campaign Medal

E. Effective Dates of Promotions

Grade	Date
Second Lieutenant	Aug 11, 1954
First Lieutenant	Jan 30, 1956
Captain	Oct 10, 1960
Major	Sep 26, 1966
Lieutenant Colonel	Aug 1, 1969
Colonel	Jun 1, 1971
Brigadier General	Jul 1, 1976
Major General	Nov 1, 1978
Lieutenant General	Aug 19, 1982
General	Aug 1, 1985

END

General John L. Piotrowski, USAF
Written Statement for the Record
Submitted to the
Subcommittee on Defense
of the
House Appropriations Committee
Washington, DC
9 February 1989

I. INTRODUCTION AND OVERVIEW

Mr Chairman, distinguished members of the Committee, I very much appreciate the opportunity to appear before you today in my capacity as the Commander in Chief of the unified United States Space Command, and to share with you my views on the state of the command. My thesis is straightforward: while our operational military space capabilities are adequate in peacetime, they are less than equal to the demands that would be imposed by simultaneous contingencies in different parts of the world, or by a crisis which directly places the interests and military forces of the United States in opposition to those of the Soviet Union.

II. USCINCSPACE RESPONSIBILITIES

Our national security policy is based on the principle of deterring wars at any level of conflict rather than fighting them. For deterrence to work, it must be credible. For deterrence to be credible, an adversary must clearly recognize that he cannot achieve his objectives by resorting to armed conflict, or that if he did achieve his objective, the cost or punishment would be too great. Our national military strategy requires highly capable, forward-based land, naval, and air forces. It also requires robust reserves which are able to rapidly reinforce these forward-deployed forces. Highly capable and fully modernized nuclear forces extend deterrence beyond the spectrum of conventional conflict.

Today, our forces based around the globe are heavily dependent on long-distance communications and accurate navigation provided by a comparatively small, but highly capable and absolutely vital force structure of space-based systems. Moreover, because our forces are outnumbered almost everywhere, we rely heavily on space systems for surveillance and warning, reliable theater communications, and so forth.

Our mission includes surveillance and warning, planning and requirements development for ballistic missile defense, and space operations, encompassing both space support and space control.

IIA. SURVEILLANCE AND WARNING

The surveillance and warning mission encompasses three functions. These are: supporting NORAD with the missile warning and space surveillance information necessary to fulfill the U.S. commitment to the NORAD Agreement; providing support as necessary to commanders in chief having ballistic missile and space attack warning requirements for areas other than North America; and, should NORAD become dysfunctional for any reason, providing the U.S. National Command Authorities with integrated tactical warning and assessment of a space, missile, or air attack against the United States.

IIB. BALLISTIC MISSILE DEFENSE PLANNING

The Joint Chiefs of Staff have by means of the Unified Command Plan assigned USCINCSPACE the responsibility to plan for and to develop operational requirements for the mission of engaging attacking ballistic missiles during strategic conflict. This, in effect, creates a strategic defense partnership between the developers of strategic defense policy and strategy, USCINCSPACE who conducts BMD planning and requirements, and the SDIO who coordinates strategic defense research and technology development. USSPACECOM's BMD planning activities are centered around the Defense Acquisition Board's (DAB) approved architecture for a Phase I Strategic Defense System.

IIC. SPACE OPERATIONS

Space operations include space support activities and the space control mission. Space support activities can be best understood as "combat support," as opposed to "combat" activities. Space combat support activities include ensuring the launch and on-orbit requirements of other commanders in chief are met and operating assigned and designated force-enhancing space systems. Combat activities, specifically the space control mission, are also included in space operations.

Space control, not unlike sea control for maritime operations, hinges on the ability to enforce our nation's right to safe passage. Space control operations help ensure the ability to conduct friendly operations in space, and--when directed by the National Command Authorities--to deny an adversary the use of those space systems which support hostile military forces.

The employment of forces in space control operations represents the combat or warfighting mission assigned to USCINCSPACE. These space control forces must have the capability, across the spectrum of conflict, to carry out the functions of detecting space objects, identifying their activities as either threatening or nonthreatening, assessing the capability and possible intent of each foreign space system, and engaging or nullifying those that are the war-supporting space systems of an enemy. This latter requirement I will discuss in more detail later.

To accomplish these missions and normalize the process by which space forces are employed to support the warfighting requirements of other CINCs, we are preparing baseline operations plans to join the family of plans prepared by the other commanders in chief.

III. US AND USSR MILITARY SPACE PROGRAMS

The environment in which these missions must be performed is dynamic. It is influenced by technological changes, by the requirements of other unified and specified commands, by adjustments in our national interests, and most dramatically by changes in the capabilities of our adversaries. Clearly, the adversary that presents the most serious challenges to our interests in space, the Soviet Union, is the same adversary we face on land, at sea, and in the air. Because space capabilities support terrestrial and maritime national security forces, our forces must plan for and, if deterrence fails, contend with Soviet space-based and space-related capabilities.

IIIA. PHILOSOPHIES

The US and USSR programs differ in philosophy and orientation, although in other respects they are similar. Both countries use satellites for communications, navigation, meteorology, geodesy, surveillance, and warning. Both have grown increasingly dependent on space systems. Both countries can communicate almost instantaneously around the world, navigate anywhere, obtain weather data in real time, and monitor adversaries more closely than ever before.

The emphasis of each country, however, is different. The Soviets view space as a combat arena which--in time of conflict--they would seek to deny to other states; while, at the same time, assuring maximum space-based military support for Soviet combat operations on land, at sea, in the air, and in space. As a consequence, they have embarked on a program whose goal is control of space in conflict and the ability to intimidate the U.S. and our Allies during peace or crisis. They are well on their way to that end.

While the Soviets build simple, single-purpose satellites with shorter on-orbit lifetimes, the U.S. tends to build sophisticated, multi-mission satellites using state-of-the-art technology. These satellites have relatively long lives. The differences in design and utilization help explain why our average annual launch rates are so different. As a comparison, over the last decade, the United States has averaged less than 20 space launches per year, while the Soviets have averaged over 90.

IIIB. INFRASTRUCTURE

Nonetheless, several aspects of the Soviets' space program are a cause for concern. They have a massive space support infrastructure, including an almost 2-to-1 advantage over the U.S. in launch pads (building to nearly a 3-to-1 advantage), and multiple, reliable space booster options which virtually guarantee their access to space. This combination of maintaining a high annual launch rate, having a large number of reliable boosters and launch facilities, "hot" production lines for spacecraft and boosters, and a large cadre of space support personnel, almost 7 to 1 over the U.S., gives them tremendous advantages. For example, our launch response time--the interval between the need for a new launch and the time at which the satellite is operational in orbit--is measured in months. The Soviets, on the other hand, can relaunch some boosters from the same pad in a matter of hours and less than a month in all cases.

The Soviets are relatively unconstrained in their ability to launch space systems in either peace or during a major conventional conflict. The number of redundant launch pads and short pad turnaround times enable them to conduct successful and reliable surge operations. During the Falkland Islands crisis, the Soviets conducted 29 launches in just 69 days.

Not only do the Soviets produce launch vehicles and payloads in large numbers, but they also have adequate storage facilities to house them and integrate the spacecraft to the boosters at wartime tempos! This provides a level of combat readiness of great concern to me.

IIIC. VULNERABILITIES

Both the U.S. and the Soviet Union are heavily dependent on space systems for support of land, maritime, and air operations. U.S. national military strategy requires the forward deployment of our forces, and as a result, we are especially dependent upon satellite communications for the command and control of our forces. In that respect, we may be more dependent on space systems than the Soviets.

Our strategy is at risk, however, because our low-earth orbiting satellites are vulnerable to the Soviets' operational antisatellite system. U.S. satellites are also potentially vulnerable to their nuclear-armed antiballistic missiles, ground-based antennas with inherent electronic warfare capabilities, and ground-based lasers. The Soviets continue to develop technologies with potential antisatellite capabilities such as lasers, particle beam, radio frequency, and kinetic energy devices, which would place our spacecraft at additional risk.

U.S. space systems are more technologically sophisticated than Soviet systems when rated on a system-for-system basis, and generally have much longer on-orbit operating lifetimes. We do not need to replenish our space systems as frequently as do the Soviets in peacetime. However, the peacetime advantage of long-lived satellites we enjoy would become an operational weakness in conflict without the space infrastructure to rapidly reconstitute combat losses in space due to Soviet antisatellite operations. The Soviets, with their rapid launch capabilities, have turned their so-called technological weakness of short-lived satellites into an operational advantage during conflict.

Our space surveillance network is probably better than that of the Soviets. We believe our launch detection satellites are superior to the systems the Soviets employ for the same purpose.

On the other hand, the Soviets have a 3-to-1 advantage in manned space operations and can use manned platforms to support a number of military missions. They also possess unique reconnaissance satellites designed to directly support combat operations. Radar Ocean Reconnaissance Satellites (RORSAT) and Electronic Intelligence Ocean Reconnaissance Satellites (EORSAT) provide time-critical tracking and targeting of U.S. troop reinforcements in ports and of U.S. convoys and battle groups moving across the oceans. U.S. space forces allow the terrestrial and maritime forces they support to use maneuver, surprise, and concentration to meet tactical objectives. Soviet space systems perform similar functions and have greater redundancy.

In effect, the combination of Soviet antisatellite capabilities and rapid space launch capabilities give them the advantage of being able to reduce our own on-orbit forces while simultaneously increasing the size of their space forces quickly.

Right now, I would assess our most serious vulnerabilities as largely self-inflicted: the lack of an antisatellite system, the lack of assured access to space in combat, and the lack of momentum in building a militarily responsive space infrastructure. The Soviets lack technological sophistication, although they appear to be working to close this gap with heavy research and development investment.

IV. SPACE SUPPORT TO WARFIGHTERS

As I mentioned earlier, a key responsibility of the U.S. Space Command is to provide space support to the other warfighting commanders in chief. This is accomplished by consolidating requirements for space systems, providing direction to the service staffs through my component commanders for funding priority and new systems initiatives, and employing assigned space assets through the component commanders.

Effective employment of fighting forces, particularly when they are outnumbered, demands real-time, secure, clear communications; the ability to rapidly coordinate maneuvers "on the fly;" and information on the enemy and the environment. Space systems can meet these needs.

IVA. SURVEILLANCE

The Defense Support Program (DSP) provides detection of foreign ballistic missiles and space launches. These spacecraft exploit the "high ground" to prevent surprise attack. They are central to deterrence at the strategic level and also provide pertinent missile launch warning to our overseas commanders.

IVB. ENVIRONMENTAL

Satellites such as the Defense Meteorological Satellite Program (DMSP) and the Geostationary Operational Environmental Satellites (GOES) are used for strike planning and strike execution. Environmental and weather satellites allow advanced knowledge of weather conditions in the upper and lower atmosphere, water temperature, and ice and ice edges--all essential for the planning and execution of modern combat operations.

IVC. COMMUNICATIONS

The planned Milstar satellite communications system will serve as the cornerstone in enhancement of our command, control, communications, and intelligence capabilities. It is being designed to provide minimum-essential, worldwide, survivable, and enduring warfighting command and control communications through all levels of conflict. Milstar will provide the National Command Authorities, the Army, Navy, and Air Force with assured communications to support execution of essential strategic and tactical missions.

Milstar will enhance our national capabilities by ensuring that critical communications capabilities will be there when we need them. Use of extremely high frequency and other advanced communications techniques enables the system to function effectively in nuclear and radio electronic combat environments, while still greatly reducing the probability of signal interception. Satellite crosslinks provide global connectivity without dependency on vulnerable ground relay nodes, and sophisticated encryption techniques provide communications security. Additionally, a distributed ground control system will support Milstar's satellite requirements through the conflict spectrum.

Milstar is intended to replace the aging Air Force Satellite Communications System (AFSATCOM) and to augment the Fleet Satellite Communications System (FLTSATCOM). AFSATCOM was designed with some jam resistance and, until replaced with Milstar, will continue to support our nation's highest priority strategic nuclear command and control requirements. FLTSATCOM is characterized by limited capacity but unparalleled terminal mobility. FLTSATCOM terminals, supported by Ultra High Frequency (UHF) FLTSAT and LEASAT satellites, are found on every ship and submarine in the fleet. Although Milstar will provide some support to tactical users, FLTSATCOM will continue to be a flexible and highly reliable command and control system well into the next century. The UHF follow-on system will guarantee UHF connectivity to the fleet, special operations forces, and presidential support groups well after the current FLTSATCOM constellation expires.

The workhorse of the MILSATCOM community is the Super High Frequency (SHF) Defense Satellite Communications System (DSCS). DSCS II and DSCS III satellites provide greater capacity and more jam resistance than any other MILSATCOM system on orbit today. DSCS provides voice relay, teletype, intelligence data transfer, and presidential communications. DSCS also supports a large number of tactical user requirements. DSCS will remain an indispensable satellite communications system to the Department of Defense and National Command Authorities well into the next century.

The most recent addition to the MILSATCOM inventory is the FLTSAT EHF Package (FEP). FEP provides an early EHF capability for the National Command Authorities and an early on-orbit capability to test EHF Milstar terminals.

IVD. NAVIGATION

Equally important as communications, and available to friendly forces down to the individual foot soldier, the NAVSTAR Global Positioning System (GPS) will provide extremely precise position and velocity information to small, portable terminals used by land, sea, and air forces. Accurate geopositioning has numerous military applications to include: efficient minesweeping by precisely mapping cleared areas; more accurate reconnaissance data from land, sea, and air patrols; improved laser target designation from special operations forces using hand-held lasers; improved synchronization of combat operations; and increased lethality of the deep joint interdiction operations. GPS will also improve the capability to support the recovery of downed aircrews and enable special operations forces to accurately position themselves while operating in denied territory.

Just to mention a recent example of GPS application--the Commander of Middle East Forces was having difficulty relocating mines identified in the Persian Gulf shipping lanes, once spotted and marked, using SRN 25 on-board navigation systems. SRN 25 accuracy was not accurate enough to provide safe passage. U.S. Space Command provided training to the U.S. Central Command staff on the use of GPS in support of minesweeping operations and subsequently obtained and deployed two GPS manpack terminals on ships operating in the Persian Gulf. As a result, accuracy of location and subsequent relocation of mines increased by using GPS location data to update shipboard SRN 25s once a mine was spotted.

V. MILITARY SPACE REQUIREMENTS

VA. ANTISATELLITE CAPABILITY

Last year, the Congress wisely abandoned the effort to restrain development and testing in space of antisatellite capabilities for the United States. The United States' lack of an antisatellite capability allows the Soviets unrestricted use of their satellites during conflict. Lacking the capability to nullify Soviet combat support space systems, we abdicate a staggering advantage to the Soviets. Their doctrine says that they will employ antisatellite weapons in conflict, and their systems give them the capability. To leave our space systems hostage to Soviet philanthropy is untenable because it increases the risk to our warfighters who depend on these systems to conduct tactical operations on the land, at sea, and in the air. In effect, we have yielded control of space to the Soviets--a situation that does not serve our national security interests.

Technologies exist today to develop, test, and deploy a variety of antisatellite capabilities. Kinetic kill vehicles, and the necessary boosters, could be developed in the near term and appear to offer the least risk in fulfilling the ASAT operational requirements. This capability should be the highest ASAT development priority--since it would be continually available, responsive, and provide reliable kill assessment.

It is clear that no single technology is the "be all, end all" solution. The U.S. ASAT capability must be agile and responsive enough to meet the needs of the unified and specified commanders in chief worldwide. This requires a capability to degrade or destroy Soviet force-enhancing satellites at any altitude within timelines dictated by tactical terrestrial operations.

Developing a U.S. ASAT capability has been slower than hoped from a purely military point of view. However, given the discussions and debates afforded by our democracy, concerns for fiscal issues, and the uncertainties associated with fielding new capabilities, progress over the past year has been satisfactory. The Defense Acquisition Board's consideration and approval of a Milestone 0 for concept development which could lead to an operational antisatellite capability, as well as its multiservice directional approach, underscores not only the critical importance of our space systems but also the continuing need to project power to deter war and control escalation during conflict.

VB. SURVEILLANCE AND WARNING

Future systems, such as a space-based radar and the Boost Surveillance and Tracking System, promise to make tremendous contributions to our deterrent posture and to the warfighting capability of our military forces.

Requirements for a space-based wide area surveillance system result from the Soviet atmospheric and maritime threat--specifically, improved fighter and bomber aircraft with air-to-surface missiles; a global naval surface and submarine force armed with standoff, surface-to-surface attack missiles; and land-based missiles supporting theater forces.

Space-based radar and infrared concepts have been thoroughly studied and appear to have significant potential for satisfying these requirements and providing global dimension to current coverage. A space-based system would be the space component of a broader wide area surveillance system complementing and interfacing with other surveillance and C3 systems supporting wide area surveillance. No existing surveillance or C3 system would be directly replaced by this capability.

A space-based radar would enable the United States to determine potentially hostile intent by identifying aircraft immediately after takeoff from their bases of origin. The Soviets would be denied the ability to hide bombers in the clutter of radar returns that characterize normal transoceanic traffic. The effectiveness of bomber defensive maneuvers also would be reduced because potential hostile aircraft could be tracked from space during their entire transit. A space-based radar would improve the information provided to the National Command Authorities, the Joint Chiefs of Staff and warfighting commanders.

VC. LAUNCH RESPONSIVENESS

Current U.S. launch systems are inflexible, fragile, vulnerable, and nonresponsive to combat requirements. Booster and payload testing, processing, and launch is lengthy. Months of final assembly, payload integration, and on-pad processing prohibit rapid response to meet world conditions, quick recovery from either on-orbit or launch failures, or augmentation, and reconstitution after enemy action.

Single pads and launch vehicle types, and unique payload booster interfaces, inhibit quick response and payload flexibility; prohibit dual access for many critical payloads; and delay early access for important R&D programs.

U.S. launch systems and their industrial base are fragile. Launch sites are located on vulnerable, fixed coastal locations subject to natural disaster, disruption, or attack. Hurricanes, earthquakes, on-pad launch failures, or enemy action could easily delay or eliminate access for space capabilities critical to combat users. Unlike the Soviets' robust launch capability, located well within protected borders, the Department of Defense is unable to augment, replace, or reconstitute critical space capabilities during crisis or war.

All future launch systems and payloads must have rapid mix-and-match flexibility in their design to allow for any booster to launch all critical payloads at and below its designed lift capacity. Combat-adaptive, trans-conflict systems should be designed for military personnel operations and maintenance.

VD. BALLISTIC MISSILE DEFENSE

The United States Space Command has formed a partnership with the SDI Organization to ensure that any future ballistic missile defenses our country may decide to deploy will be both militarily effective and enhance our overall policy of deterrence. I firmly believe that ballistic missile defenses offer the U.S. a "new alternative" to the current situation of mutual assured vulnerability.

Today, the Soviet arsenal contains over 10,000 nuclear warheads and it is growing. Despite their rhetoric, the Soviets are continuing to modernize their strategic weapons. In the past four years, the Soviets have deployed two new ICBMs--the rail-mobile SS-24 and the road-mobile SS-25--and are now testing a more powerful, more accurate follow-on to the SS-18.

In addition, they continue to improve their ballistic missile submarines and the missiles they carry. It won't be long before all of their ballistic missile submarines will be able to threaten the United States without even leaving their home ports or territorial waters.

While today's threat is primarily from the Soviet Union, tomorrow's may come from elsewhere. The number of countries possessing ballistic missiles has increased significantly in the last two years. Most disturbingly, however, is that most of these countries are located in the war-torn Middle East. Should this proliferation continue at its current pace, the Qaddafis and Khomeinis of the world may possess the capability to attack us with chemical or nuclear-tipped ballistic missiles--a thought that should terrify every one of us. While we have the capability to detect and warn of such an attack with virtual certainty, we lack the capability to deflect or destroy the incoming warheads.

VI. CONCLUSION/SUMMARY

I would be remiss in my responsibilities if I did not also say a word about people. Former Secretary of Defense Carlucci rightfully made our "people" a top priority when he presented the Department of Defense's budget submission to Congress. People are our top priority.

As we enter an era of even more austere funding, I urge that we recognize their contributions and continue to support the soldiers, sailors, airmen, and Marines--patriots all--that give our country the military capability it possesses. Fair and adequate compensation, housing, medical care for uniformed personnel and their dependents, tuition assistance, and even bonuses for critical specialties help fulfill our obligations to them.

We will ask much of our armed forces in the months and years ahead, and they look to us to ensure their needs and the needs of their families are attended to. We are obligated to meet those needs.

In conclusion, you have a unified United States Space Command, with three Service component commands. We are maturing rapidly and making great progress.

Our ability to deter in the future would be enhanced by expanding the creative and effective ways in which space can support our terrestrial and maritime commanders, by assured access to space, ballistic missile defense, and through an antisatellite capability.

Mr Chairman, it has been my pleasure to provide this thumbnail sketch of the U.S. Space Command. I would be happy to respond to any questions you may have.

EXISTING CHEYENNE MOUNTAIN SYSTEM

Mr. **Murtha**. Thank you, General.

What type of overall computer system do you have at Cheyenne Mountain?

General **Piotrowski**. What we have at Cheyenne Mountain is a quadruply redundant system. There is the NORAD computer system that starts out with a communications system segment which is duplicate, one in operation and one in Hot Shadow. That feeds to an interconnecting processor which feeds into four processing nodes, two are in a missile warning mode, one in space surveillance and one utility processing program, any of those four will do all the jobs mentioned. Backing up that principal system is a missile warning bypass which bypasses the communications system segment. So we now have a triple redundant front end which feeds to the four main computer processing nodes. Backing that up, there is a mission essential back-up facility which is a separate and independent computer capable of processing missile warning information. So in the processing ends, we have six redundant processors. In the front end, we have four redundant systems. That doesn't mention the SAC Command Center Processing and Display Systems at Offutt AFB which also processes data and feeds it as a separate and verifiable processor into my headquarters. The CCPDS also processes the raw data at the National Military Command Center and the Alternate.

Mr. **Murtha**. Where are we at upgrading the system?

General **Piotrowski**. We are proceeding to upgrade the ITW&A processing system. We have today what I would describe as a very large monolithic system with 87 different processors and approximately 150 million lines of computer code.

Some years ago, the Air Force decided to upgrade into a distributed system. This distributed ITW&A system will process independently the missile warning, the air defense, space and utilities. This upgraded and distributed ITW&A system will enable us to upgrade software without having to go into 150 million lines of code.

Future CINCs will have more confidence that software revisions will not contaminate the entire system when upgrading one of the distributed segments.

Right now the segment replacement is ongoing. The Air Defense Operation Center segment is the first to be upgraded. It is completed and in test. We expect to be operational with that piece of software next month.

Mr. **Murtha**. How much money are your spending there?

General **Piotrowski**. Let me ask the Air Force to provide the correct dollar amount. I don't have that information. I am in the operation end of the business. The Air Force is the acutal developer and procurer of that system.

To make sure I give you an accurate answer, I will go to the Air Force.

[The information follows:]

The total expected acquisition cost is $1.289 billion. This cost includes the following programs: Survivable Communications Integration System (SCIS), Communications System Segment Replacement (CSSR), Command Center Processing and Display System Replacement (CCPDS-R), Granite Sentry, and Space Defense Operations Center (SPADOC).

Of this total, $769 million (60%) will have been spent through the end of this fiscal year. We plan to spend $493 million (38%) from FY 1990 through FY 1994, with an additional $27 million (2%) necessary to complete these programs in FY 1995. These costs are all expressed in "then-year" (actual year) dollars.

FALSE ATTACK WARNINGS

Mr. MURTHA. The GAO report, I guess, in response to the false attack warnings in the late seventies or early eighties said that you had replaced one system out there at Cheyenne Mountain and it was no more capable than the system it replaced and the new system generated false attack warnings due to the rising moon or whatever the reasons were.

GAO says it generated false attack missions, and your nuclear retaliatory forces were erroneously placed on alert. And then as we understand it, the Defense Department currently has a $1.3 billion system to again completely replace all the computers in Cheyenne Mountain; is that correct?

General PIOTROWSKI. No, sir, it is not precisely correct.

Let me comment. I think there were three points that you made. If I can go back in history, NORAD was founded in 1957. They started digging the hole in 1960 and completed the hole in 1961 in the mountain. In 1967, it was operational. So roughly 13 years after NORAD started with a computer capability that was available in the mid-fifties, essentially an acre of computers to do what you can do on a refrigerator sized computer today, was attempted to be replaced.

That system that was installed in the 1979, 1980, 1981 time frame is still existent in the mountain today. It is a Minneapolis Honeywell computer system. The software was prepared by the Ford Motor Company Aerospace Corporation, and that still exists today. If I am mistaken, it is because my history is a little off.

Mr. MURTHA. It is any more capable after spending $1 billion——

General PIOTROWSKI. I don't know what the price tag was, Mr. Chairman, but it appears that the state of the art in terms of software writing and dealing with the complexity of 150 million lines of code, which is an enormous task, became very, very difficult. As I understand it, looking back over time, is that the Air Force accepted what was believed to be an "equivalent operational" system in the early 1980s. That capability has been upgraded with software revisions over time.

With regard to false warning, there was a November 9, 1979 false warning. However, that false warning had nothing to do with the computer processors, or the satellites that feed them, or the ground stations that forward the data from the satellite, but it had everything to do with human error. It would even be more correct to say a number of people overlooked the need for several important checks and procedures to reduce the possibility of human error to the absolute minimum. An off-site testing facility was not available, therefore, testing was done in the mountain on actual operational equipment.

An operator in the process of testing the computer and software to see if it would handle a massive Soviet attack failed to put the system in the test mode. When the test tape simulating a massive attack on the United States was run, it generated all the indications of a real attack.

The Command Director in the mountain NORAD Command Center, then a colonel, now a general, went though the first several steps of his checklist which resulted in scrambling fighters for survival. SAC got the same data. SAC received indications of an attack on their displays and alerted their aircrews. This regrettably all took place before the Command Director of his staff called the simulated reporter sensor sites and asked, "Are you sending me this data?"

The operators said, "No, our systems are clear," and the event was stopped probably within two or three minutes of the improperly initiated test.

Since that November 1979 incident my predecessors have established an off-site test facility and established procedures to test all software off-site. Should any software testing be required on operational systems within the mountain, all telephone lines are kept open to the Pentagon, to SAC, and to the sites. The test director and the Command Director, a general officer representing me, ensure that all participants and all Command Centers receiving ITW&A data understand that we are going to run a test. These direct lines remain open with voice connectivity until the test is completed.

No data is fed from radar sites, from the satellite receiver sites into Cheyenne Mountain where it would be displayed without human intervention at the site and without us calling back instantly and saying, "I am receiving data from your site, are you sending me the data I am receiving?" This procedure is normally accomplished over secure lines; however, if necessary to validate ITW&A data, it could be conducted on any available circuit.

As to what the price of that equivalent capability was called at the time and as to the price of the current upgrade, I can ask the Air Force to furnish that information. I don't have that information with me.

[The information follows:]

The 427M program cost at completion in 1979 was $220 million (then-year dollars). If this cost were inflated to 1989 dollars, the value would be approximately $375 million.

Mr. Murtha. We had a human error on the VINCENNES. If you folks have a human error out there, whatever the error is, if you make a mistake and somebody pushes the wrong button, it is even more serious than the VINCENNES.

General Piotrowski. We don't have retaliatory buttons at NORAD. I am responsible to ensure the National Command Authorities only receive the correct data. I believe I am up to that task.

Mr. Murtha. We are going through the House Government Operations Committee report of 1982. It just blisters your organization—this is before you were there, talking about overruns, delays, six years behind getting material on station.

Have you got a modernization plan going right now?

General Piotrowski. Sir, I should not respond for the Air Force. I am in the operation business. The United States Air Force Space Command and the United States Air Force Systems Command are responsible for the acquisition, development, and installation of hardware.

So if your questions are addressing cost overruns or delays, it would be better that I seek those responses from the Air Force.

[The information follows:]

The original plan for CSSR, when we awarded the Block I contract in 1984, called for Initial Operational Capability (IOC) for Block I in April 1987 and for Block II in August 1988. Our review of the Block II proposal in 1985 far exceeded our budget. We were forced to reevaluate the scope of both phases of the contract. We decided to reduce costs by delaying Block I installation so as to be concurrent with Block II, deleting some Block II requirements, and delaying the award of the Block II portion of the contract from June 1985 until February 1987. Blocks I and II are now scheduled for concurrent installation and IOC in 1991. There have been no cost overruns in either of the fixed price contracts for Blocks I and II. Technical difficulties during Block I development did result in costs to the contractor in excess of the contract ceiling price, but those overruns were borne solely by the contractor under the fixed price contract.

The original acquisition costs for SPADOC Blocks A, B, and C were projected to be approximately $340 million. They are now anticipated to reach approximately $446 million upon achieving full operational capability with Block C. SPADOC Block A (Phase I) was originally scheduled to have a late FY 1985 IOC. System acquisition and software development difficulties have resulted in schedule delays of approximately three and one half years, with an associated impact on the Block B (Phase II) and C (Phase III) schedules. We anticipate IOT&E for Block A in March 1989.

CINC RESPONSIBILITIES

Mr. MURTHA. Isn't it true that the Commander in Chief of the Space Command is ultimately responsible for the success of these programs?

General PIOTROWSKI. It is true that the Commander in Chief of the United States Space Command or any CINC is responsible for the operational capabilities of his command in establishing requirements and making cost tradeoffs with the developer.

Mr. MURTHA. You set priorities?

General PIOTROWSKI. Yes, sir. I set priorities and I establish the requirements.

Mr. MURTHA. You decide when to install the equipment?

General PIOTROWSKI. No, sir. I establish the need date for the equipment. The developer and acquirer decide when the equipment has achieved its needed operational capability.

Mr. McDADE. Would you yield, Mr. Chairman?

Mr. MURTHA. Yes.

SPACE DEFENSE OPERATIONS CENTER (SPADOC)

Mr. McDADE. I want to emphasize the importance of the questions because we are very concerned about information coming to this committee about what is happening at the moutain. I was there last summer and talked to your people about the need for the upgrade and all of us want to see it done properly, including we know you.

I am told you have got a upgrade that is programmed out there and one slice of it is roughly half a billion dollars. We are talking about $437 million. You know the upgrade we are referring to, don't you?

General PIOTROWSKI. There are a number of upgrades that fall into the category of what we call Granite Sentry.

Mr. **Murtha**. This is a lot of money even for this committee. If this is under your jurisdiction and you don't know anything about it, we better adjourn and have you look into it.

General **Piotrowski**. I am happy to answer questions in my area of responsibility. I believe it is inappropriate for me to answer questions that are in the research and development and acquisition field.

Mr. **McDade**. If the upgrade is not on time, aren't you aware of that?

General **Piotrowski**. Yes.

Mr. **McDade**. Is it seven years behind schedule?

General **Piotrowski**. I don't believe so.

Mr. **McDade**. How many years behind schedule?

General **Piotrowski**. I believe it is roughly two years behind schedule.

Mr. **McDade**. Is there a cost overrun involved?

General **Piotrowski**. I have to ask you to be more specific. What are you talking about? Are you talking about SCIS, about the CSSR, about SPADOC?

Mr. **McDade**. The SPADOC contract is for $437 million. As the chairman has tried to inquire of you, we are informed that one of the most important aspects of our national security is being delivered late and with a huge cost overrun.

Do you know that to be the case or don't you?

General **Piotrowski**. Now that we have identified SPADOC, yes, sir, it is very late. It is of great concern to me. It is the responsibility——

Mr. **Murtha**. What is very late, General?

General **Piotrowski**. The Space Defense Operations Center.

Mr. **Murtha**. What time is very late?

General **Piotrowski**. I think the Congressman is correct, we are talking in the five-to-seven-year category.

Mr. **McDade**. You know it gets even worse. As we look at it, the GAO informed us that on phase I of this contract of $119 million, there were over 590 operational deficiencies and many of them were in their words mission critical, yet that is the track record of the fellow who was doing the work for you.

On phase II, you give him another sole-source contract for $103 million. Can you explain that to the committee?

General **Piotrowski**. I have to go back to the same response I gave earlier. You really need to address those questions to the Air Force or Air Force Systems Command; I will be pleased to ask them to provide those answers to you.

Mr. **McDade**. Don't you talk to them? You are in charge of the mountain.

General **Piotrowski**. My responsibility is operational, not research and development.

I have a responsibility to make sure that what is operational, what is assigned to me, works well and the people are properly trained. I don't have responsibility for research and development, and acquisition.

Mr. **McDade**. What do you do if the fellow is seven years late bringing an update on?

General **Piotrowski**. I talk to the Chief of Staff of the Air Force and express my concern. I don't have any direct contact with the contractor. That is not appropriate. That is the responsibility of the research and development community.

Mr. McDADE. You mean to tell me that you can sit there and say you can have a seven year delay and it doesn't have an operational impact?

General PIOTROWSKI. Of course it has an operational impact.

Mr. McDADE. What are you doing about it? We are in a room full of people who want to see you succeed. When we hear about seven-year delays and you as the operational commander wearing four stars—the other fellows don't have four stars that are on the program, do they?

General PIOTROWSKI. The Commander of the Systems Command——

Mr. McDADE. How many stars do they have?

General PIOTROWSKI. ESD, three stars. The program manager is probably a Colonel.

Mr. McDADE. You are running the program for the country. You have a seven year delay in it.

General PIOTROWSKI. I am a unified commander of forces. I am not in the research and development business. It is not appropriate for me to be involved to the level where I would have detailed knowledge on acquisition matters. I express my concern to the Chief of Staff of the Air Force and the Commander of the Air Force Systems Command. I don't work with the contractor. It is illegal for me to make demands on the contractor. I would be committing the government with no authority to commit the government.

Mr. MURTHA. If the gentleman would yield.

General, this is unacceptable. A four-star general in the Air Force who doesn't talk to the Chief of Staff and tell him there is a seven year delay, we have to find it out by some GAO study—you don't come before the committe and say, "Gentlemen, we have a problem at Cheyenne Mountain. We don't have the computers."

You just say everything is fine. You won't answer a question unless we absolutely identify what is wrong because you don't want to take a chance on telling us something that maybe we should know.

General PIOTROWSKI. Mr. Chairman, I must have been misunderstood because when answering the distinguished Congressman, I said that I do talk to the Chief of Staff and the Commander of the Air Force Systems Command. I don't talk to the contractor. I am prohibited from doing that. With regard to identifying the problem——

Mr. MURTHA. Have you said to the Chief of Staff of the Air Force, "Look, I have got a mission-critical problem here. I haven't been able to get the equipment I need to run the mission the way it is supposed to run"?

Have you said that to the chief of staff?

General PIOTROWSKI. Yes, sir.

Mr. MURTHA. What is the reply?

General PIOTROWSKI. We are working to the best of our ability to get the contractor to get the equipment you desire.

Mr. MURTHA. You don't have any idea why the contract is six years late and with all these discrepancies that Mr. McDade indicated——

General **Piotrowski**. I need to say one more time that I establish the requirements and I operate the equipment when it is provided. I am not in the acquisition business, and so I don't get involved in the process of providing new or replacement equipment to the degree that I can adequately respond to your questions. I will be pleased to obtain them from the Air Force. I am not involved, by appropriate DOD directives, in the selection of a contractor. That is done by the agency responsible for providing the equipment, appropriately the Air Force Systems Command. Acquisition authority stems from the Secretary of the Air Force down through the acquisition chain—it does not go through the CINCs.

Mr. **Murtha**. General, it is like somebody that has a wing of F-16s and they don't work. They say, "Well, they work, but I don't have anything to do with that. That is not my responsibility."

It seems to me it is your responsibility if these things don't work that we should know about it. I fail to understand why this is not your responsibility.

General **Piotrowski**. Well, sir, I don't know what to say other than acquisition is not a CINC's responsibility. Unified commanders are not involved in the acquisition process. The Services are.

Mr. **Murtha**. CINCs aren't responsible for the procurement of ships, but they sure get upset if they don't have the right equipment and we hear about it all the time when they come here and they complain about not having the appropriate equipment.

It seems to me you are just business as usual.

General **Piotrowski**. If you are suggesting that I am not concerned that the equipment isn't there, I have misled you. But if you are suggesting that I should be in the acquisition business, by direction, I am not.

Mr. **Murtha**. Mr. Livingston.

Mr. **Livingston**. Thank you, Mr. Chairman.

General, I don't think that the Chairman is suggesting that you should be in the business of acquiring equipment, but you do have operations responsibilities. GAO tells us that at the end of phase I of the $119 million contract, there were 590 operational deficiencies, many of which are mission critical.

Now, you have to operate the equipment. You are the operational officer. It is your job to see to it that the equipment functions so that when those missiles come up, if they ever come up, that we detect them. If there are that many operational deficiencies, if there is that much of an overrun, you may not be in charge of equipment, but you are in charge of the operation and the operation is defective.

That comes under your jurisdiction.

General **Piotrowski**. Let me describe the function of the equipment of which we are speaking. The information that feeds the Space Defense Operations Center is satellite ephemeris; for example, where in space are enemy satellites, launch information on ASAT, the detection of any laser or heat-damaged satellites, and so on.

SPADOC processors are then used to process that threat information and warn the owner-operators of satellites that their satellite may be under attack; or the owner-operators of satellites not under attack that they could be under attack.

It has nothing to do with missile warning. The equipment is also not operational, it is not under my command. I don't have any access to that equipment. That equipment is under the control of the acquiring command so it is under Air Force Systems Command and Air Force Space Command. I don't operate that equipment. It is like a building that you don't live in. It is like building a house. The house is there and the contractor is building it, but you don't live in it. I don't operate that equipment.

SPACECOM DEFICIENCIES

Mr. LIVINGSTON. Are you telling me that all of the equipment under your command is working perfectly and has not been determined to be deficient in any way and there are no cost overruns on any equipment that enables you to carry out your mission?

General PIOTROWSKI. I think it is accurate to say that anything that I have that I operate today has long been since paid for. It is not in the development stage. It is operational, has been turned over to the operator and is operating. I would not suggest to you that everything that we have is operating perfectly. There are a number of satellites with deficiencies, computer programs that we continue to apply software upgrades to.

Mr. LIVINGSTON. Could you give us a list for the record of all the deficiencies that you know about under your command so that we could address them in future hearings?

General PIOTROWSKI. You are asking about equipment that I operate, not equipment that is under development?

Mr. LIVINGSTON. Any equipment that comes under your jurisdiction which is either not operable for whatever reason or which has operational deficiencies, especially that equipment which is deemed mission critical and any cost overruns of the contractors that have provided you with such equipment. We would like to know that information. We seem to be juggling apples and oranges. We have a GAO report that talks about equipment that apparently you have been able to divorce yourself from. It doesn't appear that GAO is making the same distinction that you are. You operate the Space Defense Operations Center and there are some very severe deficiencies listed in the GAO report. If those are in your jurisdiction, if the GAO has made a mistake, I would like to know why and I would like to know your list of everything that is in your command that is deficient for whatever reason and is not up to the order of the day or up to the job for which is was purchased.

[CLERK'S NOTE.—Classified insert is retained in the Committee's files.]

Mr. WILSON. Wouldn't you like to include in that also equipment that the general has that is overdue?

Mr. LIVINGSTON. Yes. I think obviously that is inherent in the request. Any equipment that is overdue and especially if it exceeds one or two years. Obviously it has a very real impact on your being able to do your job.

General PIOTROWSKI. Well, I certainly agree with your comment that things that are overdue reduce our ability to do our job.

I would, for the record, state that what the Unified Space Command operates today is SPADOC III, which is a Space Defense Operation computer capability that provides analysis of the kinds I described earlier on threat satellite ephemeris. This currently operational equipment requires a great deal of manual analysis and is slow.

The system referred to earlier, SPADOC IV Alpha as well as Bravo and Charlie are late and is needed, but are still under control of the United States Air Force development community. SPADOC IV Alpha has not been accepted by the Air Force Space Command, and we would not use that equipment until it has been determined to be adequate to our needs.

Otherwise, we might contaminate our missile warning system or other programs and not be able to do our job.

SPADOC IV Alpha equipment is not on line.

COMMUNICATION SYSTEM SEGMENT—REPLACEMENT

Mr. **MURTHA**. Mr. McDade.

Mr. **McDADE**. General, let me direct your attention to the CSSR system.

Are you familiar with that?

General **PIOTROWSKI**. Yes, sir.

Mr. **McDADE**. GAO says it cost $281 million.

General **PIOTROWSKI**. That sounds approximately correct.

Mr. **McDADE**. Do you think that is the right figure?

General **PIOTROWSKI**. Sir, I could get the right figure. I do not have it at my fingertips. That sounds about right.

[The information follows:]

The expected cost of the CSSR is $257.5 million ("then-year" dollars).

Mr. **McDADE**. Plus or minus 75 cents will do it. If you need to correct the record, correct it. That is pretty much a ball-park figure?

General **PIOTROWSKI**. That sounds right.

Mr. **McDADE**. I am told that that system does not plug in because of wiring deficiencies in the mountain.

Is that accurate or inaccurate?

General **PIOTROWSKI**. Can I modify that statement slightly?

Mr. **McDADE**. You would be well advised to give us the best information you have.

General **PIOTROWSKI**. It is correct to say that the contract required certain standard connectors and certain standard wiring which does not exist in the mountain.

The Air Force has funded just under $6 million to comply with their agreement with the contractor.

Mr. **McDADE**. Has it been there five years—is it five years late? How long has the system been in development, been in the installation phase?

General **PIOTROWSKI**. I can't answer that question, I don't have the information but will provide it.

Mr. **McDADE**. But as you sit here today, if I say to you does this system "plug in," to use a layman's term, the answer is no?

General **PIOTROWSKI**. It does not have the wiring and the connectors that the contractor designed the system to; that is correct.

Mr. **McDADE**. It does not plug in; is that correct?

General **PIOTROWSKI**. It does not connect.

Mr. McDade. You can't use it?

General Piotrowski. No, sir, it is not hooked up.

Mr. McDade. It doesn't help you to make NORAD work?

General Piotrowski. No, sir, it is not hooked up.

Mr. McDade. Is it in the mountain?

General Piotrowski. I believe the equipment is being installed.

Mr. McDade. Is it in for operational purposes?

General Piotrowski. I am not aware whether every black box is in or not because we use the system that is extant today.

Mr. McDade. Is this considered an upgrade? Are we throwing money away?

General Piotrowski. Let me give you an example.

Mr. McDade. Is this system designed to make your command work better?

General Piotrowski. It is designed to increase the reliability and to accept the loads that we expect to see in the next year or so.

Mr. McDade. To make the command work better; is that right?

General Piotrowski. To meet the challenges of tomorrow.

Mr. McDade. To make the command work better; yes or no?

General Piotrowski. Yes, sir.

Mr. McDade. But it doesn't work. It is not plugged in, so we have spent $281 million on a system that doesn't work in the operational day-by-day responsibilities that confront your command.

General Piotrowski. Sir, it is, I think, difficult to put things in context. Let me give you an example.

Mr. McDade. Go ahead.

General Piotrowski. Today we receive something like 37,000 to 50,000 messages from our sensors around the world which deal with missile warning, satellites surveillance, and the like.

The limit of the system is ———. One of the limitations in the system is the CSSR, the communications system segment replacement.

It will be more reliable. It will be capable of handling the loads that we anticipate as we bring on better radar, better surveillance systems.

So the answer is we are operating adequately today. We need that system to be able to handle the inputs of tomorrow. And it is late on contract. The Air Force is spending the money right now to bring that system on line.

Mr. Livingston. How long has it been late?

General Piotrowski. Well, it was delayed one year by budget cuts, and I believe it is an additional year late, so I think it is two years late.

Mr. Livingston. How long has the equipment been on line and not plugged in?

General Piotrowski. I don't have the specific answer. I can get an answer on that for you, sir.

[The information follows:]

The CSSR has not been installed at CMAFB. CSSR Block I has been installed in the Test, Development and Training Center (TDTC) which is not located at Cheyenne Mountain AFB; however, Block I has been through its initial formal test, Formal Qualification Test (FQT). It will be further tested, both in-plant at the contractor facility and at the TDTC, prior to its installation in Cheyenne Mountain along with Block II.

Mr. **Livingston**. All right.

Mr. **McDade**. No further questions.

Mr. **Murtha**. Mr. Wilson.

INTELLIGENCE MISSIONS

Mr. **Wilson**. General, to change the subject a little bit, I am trying to get a better understanding of each CINC's actual responsibilities and particularly in your command, and I want to ask you a couple of questions that are going to sound really fundamental.

When the ——— do you coordinate that or do you okay that or do you get an okay for it and then provide the vehicle?

General **Piotrowski**. The Unified Space Command doesn't have any launch responsibility in peacetime. That is done by the R&D community and I believe that that is one of the current shortfalls. There should be an operational launch capability.

But regarding the specific answer to your question, if a satellite is going to be launched, what we would be asked and what we would provide is, are there any satellites or debris in the launch window that would threaten the satellite? Are there any other satellite or pieces of spacecraft or things that we are tracking that would threaten the trajectory of that satellite?

[**Clerk's note**.—Classified discussion removed.]

Mr. **Wilson**. That means that you have control of the DOD spacecraft?

General **Piotrowski**. That is correct, sir.

Mr. **Wilson**. So the DOD satellites are under your control, although you don't launch them?

General **Piotrowski**. That is correct, sir.

Mr. **Wilson**. ———?

General **Piotrowski**. I think that is above the level of this hearing, sir.

Mr. **Wilson**. What is that?

General **Piotrowski**. I think I just gave you the same answer the gentleman behind you did.

Mr. **Wilson**. Okay.

Well, I guess all my questions are probably a higher classification, Mr. Chairman, so I will just pass and wait.

I appreciate it, General.

Mr. **Murtha**. Mr. Miller.

SOVIET SPACE CAPABILITY

Mr. **Miller**. Thank you, Mr. Chairman.

General, in our discussions with other CINCs who have been before the committee, there is always concern about readiness, and if I have understood their statements correctly, the Soviets are in such a high state of readiness with respect to space launches that they are currently able to operate at wartime tempos.

On the other hand, it appears we are virtually incapable in wartime scenario to put additional or replacement satellites in space in a timely fashion.

How many satellite launch sites do you feel that we should have?

General **Piotrowski**. I agree with those statements. I agree completely with your statement that the Soviets are very robust and very ready. The answer may not be simply in numbers of pads, but at least the capability to launch multiple boosters from the same pad, but I would say that we should have at least two launch pads on each coast for each of our booster types and that we should have the ability to simultaneously prepare more than one spacecraft for each of those launch pads. The answer, if I may continue, is not just the ability to get in space more quickly, but also would include more spares in space so that you can switch them on quickly if more capability is needed because of satellite loss or increased requirements due to a crisis.

That is more readily available than launching another spacecraft. I would also stress survivability of individual spacecraft to make them less vulnerable to lasers, to electromagnetic pulse or high-power microwave. To ensure enduring space operations the U.S. needs to improve survivability of satellites, on-orbit spares, and increased launch responsiveness.

Mr. MILLER. How long would it take to achieve a level of readiness similar to the Soviets, say, under favorable conditions?

General PIOTROWSKI. I believe the number is probably at least four years, maybe five, in that we not only have to build the launch facilities and the boosters, but we also have to build the spacecraft that we would want to launch.

Launch readiness is important. Having the spacecraft and the boosters to go with the launch capability is equally important. To achieve a modicum of improvement will take five years from funding.

Mr. MILLER. In another area, in the last year or so, one of the two major producers of solid rocket fuel lost the facility in an explosion.

Can you tell us how this incident has affected your programs?

General PIOTROWSKI. I believe that is an amonium perchlorate. ———. While on the subject of solid rockets, I am not the authority when it comes to whether one should use solid rockets or liquid, but I have noticed that one of the advantages that the Soviets appear to have is they use all liquid rocket boosters which allows them to move an empty or light weight booster around.

When we prepare a satellite, the first thing we do is take the core, strap on to it millions of pounds of explosives, which brings into play specific safety factor requirements and also increases the weight of the rocket significantly. On the other hand, the Soviets move around an empty hull, refuel it on the pad just prior to launch. As to what are the trades in terms of cost, responsiveness, reliability—there are advantages to both.

Mr. MILLER. And we do not know that as yet, but you say there are studies on whether we should use the solid fuel or the liquid?

General PIOTROWSKI. Yes.

The reason we have moved in the direction of solid rocket boosters is because we are developing solid rocket boosters for our ICBMs, the Minuteman series, the MX, SLBMs. Solids also develop greater impulse. Our booster technology has from the beginning followed ICBM development.

The Atlas and Titan were liquid systems, therefore, our initial space boosters were virtual carbon copies. When greater thrust was required, ICBM technology had moved to solid rockets—space boosters followed suit.

I believe we moved in the direction of solid boosters because it was convenient, without looking at the need to rapidly replenish our space systems in times of crisis or war.

Mr. MILLER. In your prepared statement, you mentioned that our low Earth orbiting satellites are vulnerable to the Soviets' anti-satellite system potential, vulnerable to their ground-based lasers.

Could you tell us a little more about these lasers, what they have developed, as to why we have that problem now and not have in the past?

General PIOTROWSKI. The Soviets have at least two megawatt class lasers at a place called Sary Shagan, one of their R&D establishments, and those lasers by an engineering analysis have the capability ———.

Mr. MILLER. Are you saying that the Soviets are ahead of us in the laser system technology? Do we now have ground-based lasers that can do to their satellites what they can do to ours?

General PIOTROWSKI. There is one existing high power system in the United States inventory, the MIRACL laser at White Sands which was designed as a research and development tool.

Secretary Carlucci put money in the budget to upgrade this system to a very modest capability to degrade Soviet satellites in low Earth orbit.

There are still two issues to be resolved: Can we achieve atmosphere compensation with this system? Can we stabilize it enough to where it can put lethal energy on a satellite in low Earth orbit?

The specific answer to your question is the United States may not be behind in laser technology, but we are behind the Soviet Union in fielding and building high-powered lasers.

Mr. MILLER. Is that because in the past, the funds were not requested for high-powered lasers?

General PIOTROWSKI. Sir, I don't know the answer to your question. I believe that it was an issue of funding and also need. There didn't appear to be, I think until SDI came along, the need to develop high-powered weapon class lasers in this country.

Mr. MILLER. What is being done about it at the present time?

General PIOTROWSKI. There are a number of programs which are funded, both through SDI and service R&D programs. There is the emerald laser and the free electronic laser, which are both currently under development.

Mr. MILLER. How long before we have those on stream?

General PIOTROWSKI. I believe these two programs will demonstrate their respective technology in about 1991, 1992.

Mr. MILLER. Thank you, General.

Thank you, Mr. Chairman.

Mr. MURTHA. Mr. AuCoin.

ANTI-SATELLITE (ASAT) SYSTEMS

Mr. AUCOIN. Thank you, Mr. Chairman. General, following up on that point my colleague from Ohio made, let's just presume for a moment that all of those things you just listed in response to the Soviet ground laser capability were now on line and let's further assume they were perfectly operative. How does that stop the Soviet threat?

General PIOTROWSKI. ———.

Mr. AuCoin. You could destroy what?

General Piotrowski. ———. How do those things you mentioned as a response to the Soviet ground laser capability obviate or solve that problem of that Soviet capability? Two ways. First, you build a U.S. ASAT system that is so good that he can't stand you using it so he doesn't use his—that is deterrence; and, second, if you do get in a shooting war with the Soviets, if you can't stop him from engaging U.S. satellites at least you get on equivalent ground with him by quickly destroying Soviet spacecraft that target our forces and serve his warfighting needs.

Mr. AuCOIN. First?

General PIOTROWSKI. If that is a national decision.

Mr. AuCOIN. It seems to me you have two possible uses of an ASAT capability, either to deter the use on the Soviet side of ASAT capability or to go first and try to use it against their military assets. What do you advocate, and what is our doctrine?

General PIOTROWSKI. Well, I think if I can go back first to say that our strategy in space is exactly what our strategy is here on Earth, and that is to deter wars, and if deterrence fails, to be able to end the conflict on terms favorable to ourselves and our allies, so the answer is really scenario specific.

If the National Command Authority believes it is in our interest to attack Soviet systems and prevent a war by blinding him in the first place, then that is an option.

Mr. AuCOIN. If we developed a capability to do that, do you presume there is any way to negotiate with the Soviets to keep them from developing their own potential first strike capability?

General PIOTROWSKI. Sir——

Mr. AuCOIN. If you were in the shoes of your counterpart in the Soviet Union, would you advise your central authority in the Soviet Union to negotiate a limitation on the Soviet first strike ASAT capability?

General PIOTROWSKI. I believe there are two answers, if I may. The first is that so many ASAT capabilities are treaty compliant. ———.

Mr. AuCOIN. Would it be desirable for them to do so? From a military standpoint, would we be better off having neither side with ASAT capabilities or both sides having robust ASAT capabilities?

General PIOTROWSKI. We have three options, you mentioned two of them. Neither side have ASAT, one side has ASAT, and the other not, which is extant today, or both sides have ASAT. If you could negotiate away all ASAT capability, it would be to our advantage, not to theirs.

Mr. AuCOIN. Do you advocate such a treaty?

General PIOTROWSKI. Well, I am skeptical of being able to achieve it because lasers are treaty compliant, there is nothing that says a nation can't have a laser, ABMs are treaty compliant, electronic countermeasures are treaty compliant.

Mr. AuCOIN. As a military man, you are saying if it were possible in a verifiable basis to have a treaty that would create an

ASAT-free world, our security would be better served than the Soviets?

General PIOTROWSKI. I have to believe that our spacecraft are so much better than theirs that absent an ASAT on both sides, our nation would be better served. I just don't believe you can achieve that unless you make it in the Soviet interests very similar to the SS-20 vis-a-vis the Pershing and the GLCM.

Mr. AuCOIN. That is an expensive way to try to achieve an ASAT Treaty to build up, to spend billions of dollars in ASAT. You know, it seems to me what Congress had done for three years running, and that is put a flight test ban and testing ban on the ASAT program that now has not been funded.

General PIOTROWSKI. May I comment?

Mr. AuCOIN. As soon as I finish my question. It seems to be that that produced pretty good results. That language said as long as we don't fund flight testing, the Soviets—as long as the Soviets don't use flight tests, no dollars in your budget will be used to flight test on the part of the United States, a clear incentive for the Soviets not to flight test, and they didn't. It seemed to me it worked pretty well.

General PIOTROWSKI. Well, sir, only if you ignore what really happened.

Mr. AuCOIN. What really happened?

General PIOTROWSKI. ———.

Mr. AuCOIN. The language said, you know, couldn't test against an object in space. Was the Soviet launch against an object in space?

General PIOTROWSKI. Let me point out what they did. ———. Moreover, the crews that launch their coorbital killer satellite are exercised regularly, they are the same crews that routinely launch EORSAT and RORSAT, which are war-fighting satellites. Therefore, the Soviets routinely launch the boosters, exercise the launch crews, train on ASAT satellite commanding, and regularly practice maneuvers in space.

Mr. AuCOIN. I stipulate that it would be far more effective to have a treaty negotiated, rather than Congress having riders to appropriation bills to accomplish that military goal that you just stated, and I agree with, which from a security standpoint is desirable, namely an ASAT-free world.

I would like to see an administration and military advisors to an administration pushing for, at the negotiating table, for a treaty that is verifiable for an ASAT ban on both sides. Keep it out of the hands of both sides.

Have we suggested that in Geneva or anywhere?

General PIOTROWSKI. No, sir. I have made that statement before. I am just clearly skeptical that the Soviets are going to give up a significant advantage, and if they agree to such a treaty it would be verifiable. Verification would require detailed inspection of every satellite prior to launch.

Mr. AuCOIN. How do we know until we put an offer on the table?

General PIOTROWSKI. I would say history is a good example. The INF Treaty.

Mr. AuCOIN. I understand that. But the problem I have with this, with you using that as an example and transposing it into this situation, you would go ahead and build a robust ASAT capability and we would have a world where there would be restraint on neither side. Both sides would get it.

I have often heard from you what you have written and said, and from others like you, that somehow developing this on our own in an environment in which there is no restraint on each side is going to somehow deter a Soviet ASAT first strike. What I have difficulty with is that you can say we are building it for bargaining, but for a while if we build it, both sides develop ASAT capabilities, and they may even robustly improve them for a period of time until such treaty might ultimately be negotiated, you are going to have both sides with an ASAT potential first strike capability.

Now the trouble I have with that is it seems to me that that situation is perfectly suited for an aggressor nation. If you are on a shoot-first basis, or a basis in which you have an advantage to poke the other guy's eye out, I think an aggressor is going to seize that advantage before a country with the moral approach such as ours. They would have an advantage over us because of the different outlook, a different moral point of view. I don't think we are an aggressor nation.

My problem is I think you have two sides with an ASAT capability. You could talk about deterring the Soviet Union all you want, I really believe you believe that, but what I worry about is what is in the mind of the military commander over in the Soviet Union, why wouldn't he choose to poke our eyes out first if he has the capability, leave us blind, take out our early warning satellites and everything else we have got, communications and everything else we have got? And it seems to me that is insecurity rather than security.

General PIOTROWSKI. And, of course, that is exactly the situation we are in. That is where we are.

Mr. AUCOIN. They don't have a robust system that would put our early warning satellites at risk. You are not testifying to that, are you?

General PIOTROWSKI. No, we are talking about—principally, we are talking about satellites below the Van Allen belt.

Mr. AUCOIN. When was the last time the Soviets flight tested their capability?

General PIOTROWSKI. Again, if you talk about it all in one piece, which is not the way we test a lot of things and not the way they test theirs, June of 1982. If you ask the last time they launched a SL–11, earlier this year. ———.

Mr. AUCOIN. General, you know as well as I do that launch is the easy part of that task. The hard part is terminal: zeroing in and killing the object. There is a lot more involved than the simple launch you are talking about. I can't imagine that you, as a military commander, would have a high level of confidence in using an American weapon untested since 1982 against Soviet assets, high-level confidence, you would have a successful result.

General PIOTROWSKI. Sir, we do it all the time. We have enormous confidence in our nuclear retaliatory force, and we do not test it completely, and we test it in piece parts, and that is what they are doing.

Mr. AuCoin. They don't test the critical part. You can test accuracy on our offensive missiles.

General Piotrowski. And——

Mr. AuCoin. We do.

General Piotrowski. Yes, sir. And they can test their ability to control things. They maneuver the spacecraft all the time. Their ability to maneuver is practiced every day. The brains of that system, of course, are putting it in co-planar orbit, and as they monitor the victim in the spacecraft, it is easy to maneuver within lethal range. They have this enormous shot-gun shell they shoot at the satellite with. In tests, it proves better than .6 probability of kill.

Mr. AuCoin. You are going to the third option. We talked about three different worlds, one with one side alone having an ASAT, one with neither having an ASAT, and one with both having an ASAT. I agree with you, I would like the Soviets to do away with their ASAT. I would like us to have a negotiating policy that would accomplish that. I don't see any proposals to do that. Let's leave that aside for a minute.

Which gives us most security, both sides having an ASAT or neither side having an ASAT? I think you answered that. In answering that, as I understood your answer, you indicated there is some value in building an ASAT so we give them some reason, once we build ours, to negotiate some kind of treaty.

Unfortunately, that gives you a world of two superpowers with ASAT potential, first-strike capability, and I find that to be to the advantage of an aggressor nation rather than a nation that bases its military policy on a set of values, as America does.

General Piotrowski. Well, of the three situations, if I may, we are in the worst of all worlds. They have it, we don't.

Mr. AuCoin. Would you agree with a treaty then, or an approach that would try to negotiate a situation where neither would then have ASATs?

General Piotrowski. Sir, what I would recommend is that we build a darned good ASAT and then negotiate from a position of strength. And I doubt very much if we could get the Soviets to negotiate because so many of the things that we would have to negotiate away, like their ABM system, are all treaty compliant, and they wouldn't do it. Nor do I believe the treaty you suggest is verifiable.

I say, based on your thesis, which I agree with, that we are in the worst of all worlds. What we need to do is build toward the better of those two worlds by building an ASAT where we can hold their satellites at risk, where they wouldn't attack, and then if we can carefully and slowly negotiate a verifiable treaty with the Soviets, then certainly we ought to move down that road.

I think to be in the worst of all worlds—and I agree with you, the Soviets are an aggressor nation, they have the capability, I believe our lower third orbit satellites are significantly at risk.

Mr. AuCoin. Are early warning lower?

General Piotrowski. No, sir, the Early Warning Satellites, the DSP are geosynchronous.

Mr. AuCoin. Would it make sense to not embark on an ASAT chase, technology chase, and in that unlimited, unrestrained world give them encouragement to robust up their system so they can perhaps put at risk our geosynchronous satellites?

General PIOTROWSKI. I would have to believe that the advantage is in our court. Should we get into an ASAT build-up vis-a-vis the Soviets, technology is on our side, and that is our strong suit.

Mr. AUCOIN. What?

General PIOTROWSKI. Technology vis-a-vis the Soviet Union is our strong suit. In other words, we have the capability to build things that they don't.

Mr. AUCOIN. I remember that argument. We used that with MIRV during the Nixon administration. Go ahead, we don't want to put any limitations on MIRV technology because we are so much better. I look at the Soviet side, and I see a lot of MIRV offensive missiles, General, they are aimed at America right now.

General PIOTROWSKI. I didn't say they couldn't build ASAT. I just believe we can build a better one.

Mr. AUCOIN. Do we build better MIRVs?

General PIOTROWSKI. We build better satellites.

Mr. AUCOIN. Do we build better MIRVs?

General PIOTROWSKI. I don't know the answer to your question.

Mr. AUCOIN. I think, just based on your perusal of the periodical literature, if nothing else, would you say it is your impression we build better MIRVed missiles than the Soviets?

General PIOTROWSKI. I have no basis for comparison. I know they build large rocket boosters, and they have MIRVed ICBMs and SLBMs, whether they are better than ours—they certainly build robust systems—but on a spacecraft, per spacecraft capability, ours are more reliable.

Mr. AUCOIN. I am not going to give away anything that perhaps you are not supposed to hear, but let me tell you we have better technology MIRVed missiles. Nevertheless, I think their capability is something to take pretty seriously, and I think you have just testified to that.

So my point is that even though we might have a measurably stronger capability in space in our satellites, that doesn't give me a lot of comfort. I would still be worried about the perhaps lagging Soviet satellite technology, but I think it would be lethal enough to put at risk those early warning satellites I care very much about. I think you do too.

I return to the point, I think if you have both sides in an unrestrained, unlimited ASAT chase, both of them are going to be in a position where you put at risk all the assets in space, and on that count I note with some pleasure in your written testimony that U.S. space systems have a capability on a system basis that is superior to the Soviets. What that tells me is that we have more at risk in terms of the assets we have up there and the investment and dependence upon them than they do. That is a good reason, it seems to me, not to have an ASAT chase.

General PIOTROWSKI. I would use the same argument to suggest that in a destabilized world in space, where the Soviets have the capability to knock down our satellites and we have no capability to deter or to retaliate, is the worst of all possible scenarios.

Mr. AUCOIN. What would you think of them dismantling their capability, the SS-9?

General PIOTROWSKI. Pardon, sir?

Mr. AUCOIN. What about their SS-9 based system, what if they offered to abandon it?

General PIOTROWSKI. You are asking me whether I think they will——

Mr. AUCOIN. No, no. Would that be desirable?

General PIOTROWSKI. It is only one of several of their ASAT capabilities.

Mr. AUCOIN. Hasn't there been an offer that has gone unexplored on our side in terms of negotiations to do exactly that?

General PIOTROWSKI. Sir, I am not aware of an offer of that nature.

Mr. AUCOIN. I will send you the information that I think will show that there is.

Let me just—Mr. Chairman, I know I am taking a bit of time. I just have a couple other quick questions.

In fact, I will only ask one last question. You indicated our strategy is at risk because our low-earth orbiting satellites are vulnerable to the operational Soviet antisatellite system. If that is true and serious, would you explain to me why this committee has had to plus up the budget request for U.S. satellites' survivability year after year? In fact, last year it was a reprogramming request for an INF Treaty verification to take funds out of satellite survivability for that purpose.

So how do those budget submissions that come before this committee make sense if your statement is true?

General PIOTROWSKI. Sir, I cannot explain it because I have not been involved in the deliberations that led to our current capability, but I suppose that whenever survivability upgrades came into competition with operational capability in a fixed or level budget, money was spent on operational capability as opposed to survivability.

You know, there has been a philosophy that gentlemen won't shoot at the gentleman's satellites. I don't believe that to be true. I am a strong advocate of survivability as well as, a strong advocate of looking at each space system individually. Some satellite systems are better served by placing more spares in space, some are better served by survivability features that harden them against lasers, some that could be hardened against smaller pellet-like projectiles which would be an efficient asset, and for others we just need to have a more robust replacement capability.

I believe we need to push hard for improvements on all fronts. The Soviets could double their in-space capability in 70 days, we could launch perhaps the first satellite in three months.

Mr. AUCOIN. You would say those budget submissions are inconsistent with the purposes that you are citing in your statement which have to do with out strategy?

General PIOTROWSKI. Yes, sir, I would.

Mr. AUCOIN. I certainly would, sir.

Mr. MURTHA. Mr. Livingston.

CHEYENNE MOUNTAIN SUMMARY

Mr. LIVINGSTON. Thank you, Mr. Chairman.

Just to sum up some of the points made, I think it is important. GAO indicates that in the $1.3 billion Cheyenne Mountain upgrade program, the Space Defense Operation Center, SPADOC, is estimated to cost $437 million. It is three years behind schedule, $147 million over budget, and it may be installed seven years late.

There are numerous deficiencies, the same contractor who is responsible for the deficiencies, almost 600 of them, was awarded another $103 million contract to go into phase II on a sole-source basis. For a tremendous investment we didn't get our money's worth there. The Communications Segment System Replacement, CSSR, is estimated to cost $281 million. That system is not plugged in. It has not been plugged in apparently for two years and does not work. There is a wiring problem in Cheyenne Mountain that directly affects the coordination of the whole system under your command, I suppose, that has been going on for some ten years and has not been addressed.

General PIOTROWSKI. That is incorrect.

Mr. LIVINGSTON. I will let you clarify that for the record.

[The information follows:

The wiring problem you refer to is a direct reflection of the evolutionary changes in the communication systems that we have to interface with in the Mountain. We have to communicate with a very large number of voice and data systems in the outside world. Each of those systems has gone through its own "modernize versus maintain" decisions over the years as the commercial technology and standards have changed.

When we started the CSSR development, we baselined our contract at the circuit configurations that those systems anticipated for the 1990 time frame. This projection did not turn out to be accurate in all cases. As a result, we have had to rectify the differences on a case-by-case basis. Our re-wiring effort, currently in implementation, will correct these incompatibilities by installing adapters to convert or match wiring standards where differences exist. All CMAFB communication circuits and the corresponding CSSR interfaces will be compatible by the projected installation/IOC date.

SATELLITE CONTROL NETWORK AND CSOC

Mr. LIVINGSTON. The General Accounting Office found satellite control network upgrades in Colorado and California were not meeting performance objectives and overrun cost estimates by $1 billion.

And, finally, the Consolidated Space Operation Center, known as CSOC, has problems resulting in an over-spending of $1.85 billion, some three times the original cost estimate and the system is still inadequate.

Now, these are serious, serious charges. They may well be somebody else's fault, but I think what they do is highlight the general principles of the GAO report saying there is insufficient overall integration and coordination of these various projects within Cheyenne Mountain. You operate the thing, somebody else puts it together, but in fact isn't the Air Force with these various programs, if the GAO report can be believed, grossly deficient in making sure these things are not being taken care of?

General PIOTROWSKI. I will certainly ask the Air Force to respond to your question.

[The information follows:]

Quite the contrary. Following the false events that occurred in 1979 and 1980, the Air Force and the Department of Defense initiated significant changes to strengthen the management of the overall integrated Tactical Warning and Attack Assessment (ITW&AA) network and to enhance the performance, reliability and confidence in the network itself. The reviews that followed those false events clearly pointed to the need for stronger, centralized management of the entire ITW&AA network. The Joint Chiefs of Staff designated the Air Force as the Executive Agent for TW&AA. The Air Force Chief of Staff established a Systems Executive Manager (SEM), currently the Commander of Air Force Space Command, who has an independent, special staff, the Systems Integration Office (SIO), that ensures the technical integrity of the ITW&AA network.

A frequent cause of problems in DoD acquisition involves changes in requirements. A careful balance between changing needs, as dictated by changing threats, and program impacts over the five to ten years of program development is critical. Air Force Space Command has initiated a disciplined review process of all proposed requirements changes. The review process which includes NORAD, USSPACECOM, the SIO, Air Force Systems Command, Strategic Air Command, and the Joint Staff has been very successful in managing this most difficult area. The upgrades currently in work are designed to meet the integrated threat that continues to evolve.

Over the years the Soviet threat has changed from one consisting of only ballistic missiles to an integrated missile, air and space threat. Today the Cheyenne Mountain Operations Centers, on a monthly average, monitor nearly ——— missile and space launches, track ——— unknown airspace penetrations, conduct nearly ——— space object observations, and issue over ——— space advisory messages. The policy management structure put in place in the early 80s has continually provided the long-term planning necessary to ensure the Cheyenne Mountain upgrade programs are successfully integrated in the TW&AA network and to provide high confidence in mission capability throughout the transition from old hardware and software systems to new systems.

The developing and operating commands involved in the Cheyenne Mountain upgrade programs have been most successful at improving the ITW&AA network. At the sensor level, they have improved the time the sensors are available to perform their mission. For example, upgrades to the hardware and software that process data from our infrared space-based sensors, the Defense Support Program, and procedural changes in the way the data is processed have increased threat coverage from ———. Likewise the availability and reliability of the communications systems and computers that process and correlate data from all the missile, space object and air-breathing warning sensors has increased. NORAD data processing availability today is ———. Moreover, human intervention safeguards further elevate confidence in the attack assessment that results from automatic and manual analysis of all the data available.

The Air Force has, and is, providing systems that allow CINCNORAD to accurately assess the threat to North America and advise the National Command Authorities. These systems also allow USCINCSPACE to warn the other CINCs of threats to their forces around the world.

AIR FORCE RESPONSIBILITY

Mr. **Murtha**. Who in the Air Force has responsibility for this particular program? Would it be Vice Chief of Staff?

General **Piotrowski**. The Air Force Systems Command, and their Subordinate Command, the Electronics Systems Division at Hansen Air Force Base.

Mr. **Murtha**. Who handles procurement for the Air Force? Who is the officer?

General **Piotrowski**. This procurement would be done within the Electronic Systems Division.

Mr. **Murtha**. Who is the acquisition executive in the Air Force? Is the Vice Chief of Staff in charge of procurement?

General **Piotrowski**. No, sir. The source selection authority stems from the Secretary of the Air Force. He reserves to himself major programs like B–1, B–2, those kinds of things, and delegates down based on the level of dollars to Air Force Systems Command, General Randolph, or a Product Division like ESD, which procures radars, command control systems, and the like. This particular program would fall under the Electronic Systems Division.

Mr. MURTHA. Are there any other questions? Thank you. The committee is adjourned.

[CLERK'S NOTE.—Questions submitted for the record and the answers thereto follow:]

ANTI-SATELLITE (ASAT) PROGRAM

Question. General, you are known as a strong supporter of U.S. development of an ASAT capability. In a recent letter to the Los Angeles Times, for example, you stated that "in effect we have yielded control of space to the Soviets." Similarly, in an earlier statement, you indicated that "to leave U.S. and allied space systems hostage to Soviet philanthropy is untenable because it significantly increases the risk to the warfighters who depend on these systems." What do you mean when you say that we have "yielded control of space to the Soviets"?

Answer. Space control consists of those operations that (1) provide freedom of action in space for friendly forces, (2) deny an enemy use of space when directed and (3) protect friendly space systems by nullifying or reducing the effectiveness of an attack on friendly space systems.

Space control is analogous to sea control. America, driven by the lessons of history, has provided a strong, viable sea control capability. We are confident that we can use critical sea lanes in war, as well as in peace. That is not the case in space.

In peace, our use of space is uncontested. This may not be the case in time of heightened tensions; and almost certainly will not be the case during a conflict or war with the Soviet Union. In these situations, America is (1) not assured of freedom of action in space, (2) can neither deny an enemy freedom of action in space, nor, (3) nullify/reduce the effectiveness of attacks against friendly space systems. During hostilities, space control would accrue to the Soviets. Three sets of facts lead to this conclusion.

First, Soviet doctrine clearly highlights the importance they place on space. The Soviets openly acknowledge that space is simply an extension of terrestrial military operations and that controlling space will change "the correlation of forces so decisively that it will be tantamount to establishing world supremacy." Working from this doctrine, they have developed and deployed the forces necessary for space control.

The Soviets have four technologies they can bring to bear in attacks against U.S. space systems—an operational co-orbital antisatellite system, an operational ABM system that is also a viable ASAT weapon, high energy lasers, and ——— installations capable of electronic warfare against U.S. space systems. By employing these systems the Soviets could disrupt, degrade or destroy space systems as critical to U.S. military operations as the resupply of men and material by sea. America would lose her freedom of action in space.

Second, America does not possess the means to deny the Soviets the use of space. Having employed their ASAT capabilities to deny the U.S. the force multiplying effects derived from scarce U.S.

space systems, the Soviets would actively employ such systems to enhance the combat power of their terrestrial forces. ———.

The current balance of space control capabilities is clearly weighted in favor of the Soviets. In wartime, they can bring a formidable array of ASAT capabilities to bear against the U.S. satellites critical to our military operations. This situation is compounded by our inability to replace degraded or destroyed satellites in a timely manner. Finally, we have no capability to degrade or destroy those satellites that enhance the combat power of Soviet forces. In wartime, we yield control of space to the Soviets.

Question. In your estimate, which U.S. satellites, and how many of them, would be negated with a concerted Soviet ASAT attack, if begun today?

Answer. ———.

Question. It is generally assumed that space system survivability should be commensurate with the criticality of the missions they support. A recent Defense Science Board study identified our most critical systems as MILSTAR, DSP, and GPS due to their warfighting capability. As a follow-on to DSP, the BSTS satellite should also be included in this category. Given their orbital parameters, hardening, and other capabilities, what is the ASAT threat to these systems over the next ten years, and why?

Answer. It is a matter of National and DoD space policies that space systems survivability should be commensurate with their need in crisis and war.

The current geosynchronous and semi-synchronous satellites, DSP and GPS; and future geosynchronous systems, MILSTAR and BSTS, are considered relatively safe from physical attack by current Soviet orbital ASAT systems. ———.

Question. One of the Soviet ASAT threats is the co-orbital ASAT weapon. According to 1987 Air Force data, testing of this weapon between 1968–1981 resulted in a success rate of only 45% (9 out of 20). Since 1976, the success rate was only 33%. How formidable is a weapon with such poor test results?

Answer. The premise of this question includes misleading use of figures. ———. The Soviet Coorbital ASAT program is being maintained in an operational status through continued exercising of its components and associated training of its operational crews. Although neither an actual intercept nor an ASAT launch has been conducted since the moratorium (1983), we believe all components are adequately exercised and the Soviet ASAT should be considered operational and a current viable threat.

Question. All twenty tests were conducted between 62 and 66 degree inclination. Which critical U.S. satellites orbit within that band?

Answer. ———.

Question. You have indicated in the past that the Soviets have "several directed-energy ASAT-capable systems which can disrupt, degrade, or destroy critical spacecraft." Would you state which systems these are and what their specific capabilities are?

Answer. ———.

Question. In 1983, the Air Force estimated that the Soviet Union would have space-based laser ASAT systems in the early 1990s, with a prototype launched possibly as early as 1986. The latest estimate pushes these dates back around ten years. What has occurred in the last five years to cause such delays in the Soviet laser ASAT program, and what confidence do you have in these new timelines?

Answer. The timelines referenced were estimates only, based on postulated Soviet capabilities. ———.

Question. A recent Defense Science Board study concluded that, along with the ASAT weapon itself, the U.S. would need improvements in the Space Surveillance Network (to improve targeting), the Space Defense Operations Center, and potentially in communications systems. As the commander with responsibility for operating all of these systems, can you tell us exactly what upgrades, other than the ASAT weapon itself, would be required to enable a fully functioning ASAT system?

Answer. Improvements to these US Space Command systems may, in fact, be required. However, just what improvements are required is curently under study.

In October 1988, the Deputy Secretary of the Air Force for Acquisition, Space and Strategic Defense Initiative Programs (SAF/AQS), in support of the OSD-directed Anti-Satellite General Officer Steering Group, directed Air Force Space Command to evaluate the current space surveillance and command and control capability to support future U.S. ASAT operations and to recommend improvements. A joint Service team consisting of U.S. Space Command, Army Space Command, Naval Space Command, Air Force Space Command, Army Strategic Defense Command, and Air Force Systems Command has been working on the evaluation since October. The final report is due to OSD 1 June 1989.

Question. If the F-15-launched MHV ASAT were restarted today, what capability would it have, particularly against next-generation RORSAT satellites?

Answer. If restarted the F-15 ASAT could reach targets below approximately ——— and those principal realtime and near-realtime threats to US and Allied forces ——— among others. Newer generation systems, such as ——— are, or would likely be, at altitudes above the nominal F-15 ASAT ceiling, unless we were to add an extended range modification to the missile which was an earlier part of the ASAT program. This situation is a direct result of a determined adversary taking advantage of delays in and the ultimate demise of the Air Force F-15 ASAT program.

CHEYENNE MOUNTAIN COMPUTER UPGRADES

Question. The Cheyenne Mountain Complex in Colorado Springs is the nation's key center for warning of a nuclear attack. Originally operational in 1966, it underwent a comprehensive computer upgrade in the mid-1970s, which the Air Force judged to be "no more capable than the system it replaced." The new system generated "false attack" warnings (due to the rising moon) in 1979 and 1980 that resulted in SAC's nuclear retaliatory forces being erroneously placed on alert. The Defense Department currently has a $1.3 billion system to again completely replace all the computers in Cheyenne Mountain as a result. General, please review the situation that occurred in late 1979 and 1980 and explain what was done to fix the problem.

Answer. In that time, two incidents occurred in Cheyenne Mountain that gave false indications of a missile attack. The first incident on November 9, 1979 was a personnel error which occurred when an exercise test scenario tape was mistakenly inserted into the operational computer system. The second false event occurred on June 3, 1980 when false attack indications were caused by a faulty computer chip.

To reduce the possibility of any further personnel errors, "flag officers" (generals and admirals) are now serving as the Command Directors, and structured regulations requiring additional human intervention to verify data have been implemented. Additionally, we established an offsite test facility so that we could do our hardware and software testing in isolation from the operational system.

To correct the chip malfunction, the chip plus all other critical chips were replaced and the circuit boards were redesigned. Software has been developed to provide more check fields in the message and a data monitor has been installed along with a recorder to provide visual and hardcopy records of message validity. Our analysis indicated that these actions would reduce the probability of a hardware fault generating a false missile warning message by factor of 10^{-23}.

(Note, that a false missile attack was generated by the Moon rising in the Thule, Greenland BMEWS radar in 1960. A modification to that radar eliminated the problem of tracking the Moon; that old radar has also subsequently been replaced.)

Question. Approximately how much did it cost the Government to install the upgraded computer system which ultimately failed?

Answer. The 427M program cost at completion in 1979 was $220 million ("then-year" dollars).

Question. How did we get in the posture of installing a new computer system which your staff judged to be "no more capable" than the system it replaced?

Answer. The successful development of any system depends on well organized and disciplined management of resources. There were eight contractors and four Air Force control offices involved at one point in time during the 427M acquisition. This fragmented management structure prohibited a coherent approach to system development. Additionally, the JCS directed NORAD and ADCOM, despite strong objections, to use WWMCCS hardware and software. The WWMCCS Honeywell computer was designed for business applications and proved to be inadequate for NORAD and ADCOM processing needs. The limitation drove a higher level of complexity in the software as efforts were made to overcome the hardware limitations. In the late 70's, it was projected that 427M would be ready for IOC; however, during final testing in Cheyenne Mountain several requirements could not be met. Because of limited logistical support of the operational system and the potential growth of the new system after it was installed (compared with current system), it was decided to bring 427M on-line even if it was judged as no more capable than the system it replaced, at that point in time.

SPACE DEFENSE OPERATIONS CENTER (SPADOC)

Question. One part of the most recent $1.3 billion computer upgrade program is for the Space Defense Operations Center (SPADOC) which is estimated to cost $437 million. This system—which is critical to our nation's ability to track all objects in space—is three years behind schedule, $147 million over budget, and may be finally installed in Cheyenne Mountain up to seven years late. General, what's wrong with the SPADOC program?

Answer. The SPADOC program has been delayed because of attempts to recover from initial acquisition difficulties largely resulting from poor contractor performance. With the advent of new management teams within both the Air Force and the contractor, considerable progress has been made over the past two years. We hope to bring the Block A (Phase I) system to IOC during the first half of this year. The contractor has proposed a new computer architecture for Block B (Phase II) which should fully satisfy both security and responsiveness requirements and provide a foundation for replacing the existing manually intensive space surveillance computational capability.

Question. GAO tells us that, at the end of phase I of the $119 million contract, there were 590 "operational deficiencies," many of which are "mission critical." Yet the Air Force awarded the contractor phase II for another $103 million on a sole source basis. For the total $222 million investment, what equipment is installed for operational use in Cheyenne Mountain today?

Answer. The following equipment has been installed, is working, and will be approved to support operations in the CMC once SPADOC 4A (Phase I) is declared operational.

Automated Data Processing Equipment: 3 IBM 3083 JX3 Computers; 5 IBM 3380 Disk drives and controllers; 12 IBM Tape Drives; 4 IBM 3203 High Speed Line Printers; 22 IBM Operator Consoles; 2 Communication Systems Segment Interface Adaptors for primary and back-up connectivity to the CSS.

Watch Centers: 13 SPADOC 4 Operator Consoles; 1 Dynamic Wall Display in SPADOC Watch Center.

When the Block A contract was "accepted" by the Air Force, there were 573 total operational deficiencies. At that date, 279 were closed, leaving 294 open. Of these 294 open deficiencies, 55 were considered "critical." Since the Air Force acceptance of Block A, 143 additional operational deficiencies have been identified and 197 have been closed. Of the 240 that are currently open, 4 are considered to have significant near term operational impacts. One deals with upgrading the communications circuit quality to satellite owner/operators (not a SPADOC 4A acquisition responsibility). The other three are scheduled to be incorporated in SPADOC 4A shortly after IOC. Of the remaining 236 deficiencies, many involve minor items, such as, correcting typos in manuals or changing the units used in operator displays.

A summary of total "Service Reports" (Deficiencies) as of March 13, 1989 follows: Total Written, 716; Total Closed, 476; Total Open, 240; Critical Open, 4.

Question. Did the contractor meet all the critical requirements called for under phase I of the contract?

Answer. The contractor met virtually all critical Block A (Phase I) contractual requirements. However, 23 mission related quantitative performance requirements (QPRs) were deferred from Block A (Phase I) to Block B (Phase II) of the contract when it became apparent that a computer upgrade would be needed for the contractor to fully satisfy these QPRs. Upgrading the SPADOC computers during Block A (Phase I) would have further delayed the entire program. USSPACECOM has determined that the immediate improved capabilities of SPADOC 4 vice SPADOC 3 outweighed the temporary shortfall in overall mission performance. In addition, in 1984, in response to a funding cut, the controlled mode security requirement was deferred to Block B (Phase II) when it becomes an operational necessity.

Question. Has the contractor even successfully passed a "critical design review" by the Air Force?

Answer. The contractor passed the Block A (Phase I) Critical Design Review in May 1984. The Block B CDR is now projected for resubmission in mid-April 1989. Preliminary portions of the Block B CDR have already been approved by the Air Force.

Question. How many of the Phase I deficiencies are unresolved today and how much extra will it cost the Government to fix them?

Answer. At this time, all known contractual deficiencies are corrected. At the signing of the DD 250 in April 1988, there were 35 open contractual deficiencies (which were corrected at no additional cost to the government) and 259 open modifications that were deemed out of scope of the contract, out of a total of 573 service reports. The modifications were completed as part of the level of effort contract support to the Air Force. Today, all open deficiencies have been corrected. Of the identified mission critical modifications, all but three are corrected (one of which is an owner/operator circuit problem—not a SPADOC problem). Fixes should be tested in the next several weeks. The modifications were the result of changes to the concept and methodology of SPADOC operations between Block A (Phase I) and operational testing. The 234 non-"mission-critical" modifications, ranging from misspelled words, to missing punctuation, to changing the color scheme of a display, etc., will be resolved through normal software maintenance and upgrade actions after SPADOC 4A IOC.

Question. When will the first and second phases be fully operational? How does this compare to originally planned dates?

Answer. Block A (Phase I) is projected to be operational in April 89—the original IOC was scheduled for August 1985. Block B (Phase II) was originally anticipated to go on contract November 1984, with an IOC in October 1986. Because of Block A schedule slips, the actual contract award was June 1986. The projected IOC date for Block B is now FY1991.

Question. How critical is this program to you if it can have a seven-year delay with no apparent operational impact?

Answer. SPADOC 4 will provide initial Automatic Data Processing (ADP) support for the SPADOC and, in later blocks, replacement ADP support for the aging 427M computer system in the Space Surveillance Center (SSC).

SPADOC has, since its inception in 1979, performed its space control protection and negation missions manually, i.e. with no ADP support. In the protection role during peacetime, SPADOC has been able to respond to the small number of space events which must be investigated for possible hostile intent. However, in time of conflict, there is little doubt that the tremendous number of anticipated hostile space events (electronic warfare, co-orbital ASAT, ground attack/sabotage, directed energy, etc.) would quickly overwhelm manual processing.

From a negation standpoint, SPADOC has never had an operational weapon system with which to exercise that aspect of space control. An operational ASAT capability will require significant ADP capability in terms of target selection, weapons allocations/tradeoffs, and overall battle management.

Consequently, lack of the SPADOC 4 ADP has had no adverse operational impact on SPADOC only because we have remained at peace and no operational ASAT capability has been forthcoming.

The SSC performs its spacetrack mission utilizing an ADP system (427M) which would have difficulty processing the detecting and tracking all space objects in time of conflict and will, even at peace time levels of space object population growth, become overwhelmed in the near future. It is currently processing approximately 45,000 observations a day in order to track approximately 7,200 objects. Estimates are that the ultimate capability of the 427M is about 70,000 observations per day and 10,000 objects. In war time, these numbers could be easily approached or exceeded, and would be complicated by further burdens on the 427M system caused by numerous satellite launches and maneuvers, events which cause heavy processing loads on the computers. In peace time, it is expected that the current trends will put the SSC in processing difficulty by the mid-1990s.

Again, the SSC has had no adverse operational impacts from SPADOC 4 delays only because of peace time operations and current levels of space activity and growth rates.

In summary, the SPADOC and SSC both need the ADP capabilities of a system like SPADOC 4 if they are to be able to accomplish their space control and satellite tracking missions.

COMMUNICATIONS SYSTEM SEGMENT REPLACEMENT (CSSR)

Question. Another part of the $1.3 billion computer upgrade program is for the Communications System Segment Replacement (CSSR), which GAO estimates to cost $281 million. This system—which moves computer data received from all the radar and satellite sensors throughout the world for use within the Cheyenne Mountain complex—is two years behind schedule and $80 million over cost. General, what's wrong with the CSSR program?

Answer. First, the CSSR program is not estimated to cost $281 million, nor is it $80 million over cost. After award of the Block I contract (technical control) in 1984, the contractor estimate to complete the CSSR program (Blocks I and II) rose to approximately $350 million. Air Force Space Command put together a team to review requirements in an attempt to lower program costs. Their changes, which included delaying Block I installation to be concurrent with Block II, resulted in a cost reduction (Air Force estimate) to $242 million. The contractors subsequent proposal, based on the team results, put the actual program cost at approximately $260 million which was the estimate when we awarded the Block II contract (1987). The current estimate is $257.5 million. Since 1987, we completed the first phase of Development Test (Formal Qualification Test (FQT) with only 12 open action items of which 3 were significant. We believe the contractor has a solution on each of these 12 items. Based on lessons learned, the continued development was structured to provide a series of demonstrations prior to Formal Qualification Testing. The contractor has passed the first of three demonstrations and successfully completed the critical design review for the message distribution portion of the system. In summary, I believe that the Air Force and the contractor are well past the knee of the learning curve on the complexity of a real time communication processor and expect continued improvements in this program.

Question. GAO tells us that the computer equipment received under this contract cannot be "plugged into" the existing facilities at Cheyenne Mountain because the wires are incompatible.

How did this situation occur?

Is the equipment received under this contract being fully utilized for missions today within Cheyenne Mountain?

Answer. There is no problem with the computer equipment nor its interface. This issue is with the circuits to which the Communications System Segment Replacement (CSSR) must connect. This is a physical constraint which is being corrected. This was an evolutionary process where circuits changed over time; electrical interfaces are correct, physical interfaces are being resolved and will be ready to support the installation of CSSR.

No CSSR equipment has been installed in the CMAFB, since CSSR has not yet completed development. CSSR Block I development is in the first part of its testing phase, Developmental Test & Evaluation (DT&E). This phase of test is accomplished by Electronic Systems Division (ESD) and starts with factory testing. After factory test is complete, DT&E testing continues in AFSPACECOM's Test, Development and Training Center (TDTC). Block I equipment has been installed in the TDTC, however installation in CMAFB has been delayed, to decrease cost, until 1990 along with Block II.

Question. Was the CSSR contractor's performance under phase I of the contract completely satisfactory prior to the Air Force awarding him phase II work on a sole source basis?

How many "discrepancies" under phase I of the contract existed when you awarded the contractor new work?

How many "discrepancies" are unresolved today?

What was the dollar value of the phase II contract?

Answer. The contractor's performance under Phase I was satisfactory. At the point the Phase II contract was awarded, all contractual obligations had been met. The contractor did go to contract ceiling price on the Block I portion of the contract. However, the contractor's overall performance was judged to be sufficient to award the next portion of the competitively awarded contract.

There were no problems when Phase II was awarded; however, no testing had been accomplished at the time of contract award.

There are 12 open action items from the original contract Formal Qualification Test (FQT). These "discrepancies" will be resolved as part of a full FQT to be run in mid 1990. Solutions have been discussed and seem adequate; however, these items cannot be formally closed out until a formal test is conducted. These open "discrepancies" will be resolved prior to system acceptance.

The Phase II contract was awarded for $156.9 million.

Question. On what date will the CSSR project be completely finished and installed for use in Cheyenne Mountain?

How does this compare to the original target date?

Answer. The CSSR program is scheduled for Initial Operational Capability in April 1991. The system will be operational at that time. Full mission capability will not be completed until 1993 when program management transfer from AFSC to AFLC will occur.

The Tech Control function (Block I) was initially scheduled to be installed in 1986 with and IOC in April 1987; however, the government review in 1985 delayed this for cost savings reasons. The new installation date was tied to the messge processing function (Block II) installation to be completed in April 1991. This date has not changed.

Question. How critical is this program to you if it can absorb such delays with no apparent adverse operational impact?

Answer. First, the current Communications System Segment (CSS) has a continuing adverse operational impact. In the six months prior to the publication of the GAO report on CSSR, the CSS failed 69 times, 21 times because of software failure and 3 times for unknown causes. There are financial impacts as well. Air Force Space Command has spent millions of dollars ($6.8 million for a local area network to replace the intercomputer processors, $5 million to replace parts of the communications multiplexer and $2.2 million to upgrade the Honeywell processors and peripherals) to improve the maintainability of the hardware.

The software is also obsolete, and we must wait for CSSR to fix that. CSSR will be the communications hub of the mountain and will allow the orderly upgrade of the mission areas with separate computers which will provide us with distributed ADPE architecture. Looking back at the mission, CSSR will contribute to a more timely, reliable and unambiguous warning system in CMAFB.

CHEYENNE MOUNTAIN MANAGEMENT ISSUES

Question. More disturbing than the contract problems on the Cheyenne Mountain upgrades may be the fragmentation of management responsibilities for this program within the Defense Department. A number of fundamental management problems were left unresolved until the multi-hundred million dollar acquisitions got into trouble with the GAO and our Committee last year. General, who is ultimately responsible for the success of the $1.3 billion Cheyenne Mountain computer upgrade program?

Answer. The Chief of Staff of the Air Force is ultimately responsible for program success. This includes the current system and the individual improvements to it. There is a very clear chain of responsibility from the Chief of Staff to the acquiring and support commands within the Air Force.

Question. Why were the individual projects (such as SPADOC and CSSR) split apart to be managed by different organizations?

Who manages the overall integration and coordination of these separate projects within Cheyenne Mountain?

Answer. Acquisition management responsibility for all of these projects rests in a single organization, Air Force Systems Command's Electronic Systems Division (ESD).

Within ESD the management organization has evolved with the efforts themselves. The missile warning programs were placed in a single directorate within a single AFSC Product Division. In mid-1984, the Space and Missile Warning Directorate was formed (just prior to the new Integrated TW/AA architecture) and the SPADOC, GEODSS and Spacetrack programs were combined with Missile Warning. This organization is in place today.

Each individual project has its own "System Program Office (SPO)" and program manager within the directorate. Each of these program managers is responsible to the System Program Director. Rather than speaking of different organizations you should think of segments of a single organization with a single senior decision point.

Each program manager has a regular schedule for reviews to the Program Director which provides him regular overview of the individual efforts.

The Integrated TW/AA System Executive Manager (SEM), the Commander, Air Force Space Command, is assigned the responsibility, by the JCS through the Chief of Staff of the Air Force, for overall management and control of the end-to-end system including the integration of all proposed changes. I can best answer your question by describing the way in which the individual organizations involved in the acquisition process are under the SEM Management. The SEM, through his Systems Integration Office (SIO) staff, establishes, at the top level, the standards and requirements that the overall system must meet. The acquisition developer, such as ESD, manages the integration of new hardware and software during development to meet those standards. AFSPACECOM similarly manages the integration of the developed equipment into the day-to-day Cheyenne Mountain operating system, again conforming to the SEM directed standards. Final approval, the certification of the technical integrity, rests with the SEM.

Question. Explain the "wiring problem" in Cheyenne Mountain. How much have you budgeted to fix this problem?

We understand this problem was known in 1980. Why has Space Command not thought of fixing it until now?

Answer. Yes, there is an interface problem between the existing tech control and the CSSR Block I equipment, which could also affect other programs such as SCIS and the Air Force Automated Message Processing Equipment (AFAMPE). This wiring problem does not exist between the current tech control and the existing systems. The wiring problem between the current tech control and the CSSR Block I is caused by the fact that many circuits and wires have changed over the years and CSSR was baselined at the anticipated circuit configuration for the 1990 time frame. This was not in all cases accurate, but differences are being identified and resolved on a case by case basis. It is planned that all CMAFB circuit/CSSR interfaces will be compatible by the projected installation/IOC date.

AFSPACECOM has budgeted $5 million for the Tech Control rebuild effort which will correct this problem.

The problem was not known in 1980. CSSR did not exist at that time. CSSR SPO site surveys and an AFSPACECOM study in November 1987 identified that government-side work would be needed on the Cheyenne Mountain interface wiring. After a decision was made to install Block I and correct the Cheyenne Mountain interface problems, a tiger team was formed, including AFSPACECOM, ESD, CSSR contractor (GTE) and AFCC representatives, to determine the effort needed and develop a plan of action. This plan was approved in December 1988 and we have begun implementation. In retrospect, however, sufficient knowledge probably existed to have allowed the Air Force to program and budget for the government-side work required. This would have greatly eased the current scheduling problem of installing CSSR Block I.

Question. GAO tells us that each of the separate projects was built using different assumptions of the size of the computers needed. This affects the speed at which information can be moved between different computers within the Mountain. Why was a common sizing scenario not used?

Answer. You are correct that these efforts were intiated with different sizing requirements. To understand why, it is important to realize that the programs were initiated over the span of several years. During the same period, the Soviet threat and our perception of it was changing rapidly—from a predominantly ballistic missile threat to one which increasingly involved air, cruise missile and an expanding catalog of space assets. As the threat has increased, so has the processing load and complexity of our warning and assessment functions. Rather than changing our contract requirements, in a piecemeal fashion, we recognized the need to look at the impact of the more complex threat in a "big picture" sense, across all of our warning programs—missile, air and space. This, however, was no small undertaking. An approved integrated (space, air, missile) attack scenario did not exist. We have since developed an integrated TW/AA scenario (Granite Vista II) and are now using it to analyze the message loading impacts on our various programs. Results have shown that depending on the operational procedures employed, the Integrated TW/AA subsystems could experience a wide range of resultant loads. The operational assumptions are currently being assessed by the operational community. When the assumptions are approved, we will be able to assess the impact of the new integrated TW/AA scenario on the acquisition programs.

Question. Do all of the Cheyenne Mountain computer update programs currently underway have the exact same "communications standards" so they can intercommunicate? Do they have the same security standards? Wiring standards? Are they in the contracts today?

Answer. Communications Standards: The Integrated TW/AA system employs a layered communications architecture which complies with several industry standards to implement its various communications applications. Those standards have evolved over time. The various projects also began at different points in time and thus reflected the standards adopted at the time of their inception. The role of the SIO has been to provide the roadmap for all of our programs as those industry standards have evolved. This standardization is vital if we are going to be assured of the long-term maintainability and supportability of our computer systems. At times this has meant deciding how we will modify and transition existing systems or those in development to the evolving industry standard.

Transition planning is how we will modify and transition existing systems or those in development to the evolving industry standard, now the SIO standard established by the International Standards Organization. The transition plan is how we will assure that as we integrate the various pieces, they will in fact intercommunicate. Based on this plan, all programs will interface with the standards on contract today as we integrate them. In the longer term our systems will transition to the industry standard that will ensure their maintainability.

Security Standards: All of the Cheyenne Mountain programs are being procured under the same security standard—AFR 205-16 and its AFSPACECOM Supplement 1. These standards comply with DoD Std 5200.28, which is currently being updated to reflect the NSA Trusted Computer System Evaluation Criteria. Within these security standards the programs have been required to meet specific elements of the regulations. The type of information being processed and the interfaces with users are factors used to determine which elements the security standards are required. For example, CCPDS-R only interfaces with missile sensors and forward users. The data is all classified SECRET; therefore the CCPDS-R security requirement is to operate in the System High mode. However, CSSR which interfaces with unclassified users, Confidential users/data, and Secret users/data, must meet specific security elements identified in AFR 205-16 and must operate in a "controlled mode." All security standards are on contract today.

Wiring Standards: Wiring standards have seen a similar industry evolution. Updated standards were established in mid 1988 by the SIO, well after contract award for our programs. Our plan is similar—to adapt to the existing, older standard wiring while we proceed with the updates that will provide us a modern, maintainable system. This plan is consistent with the wiring standards on contract.

SATELLITE CONTROL NETWORK (SCN) UPGRADES

Question. We now turn to another computer update program managed by the Space Command, different than Cheyenne Mountain. In an August 1988 report, the GAO found that Satellite Control Network upgrades in Colorado and California were not meeting performance objectives and had significantly overrun cost estimates by about $1 billion. What is the performance of this system today?

Answer. Cost Overruns: The $1.85 billion figure reported by the GAO is an approximation of the Consolidated Space Operations Center (CSOC) and Data System Modernization (DSM) acquisition costs. The total DSM contract value was $457.7 million, and the total CSOC acquisition costs are expected to be approximately $1.1 billion. The GAO also included approximately $300 million of O&M

cost in their CSOC figure which should not be attributed to CSOC acquisition.

The use of the original estimate of $600 million is not a reasonable benchmark for comparison. The GAO benchmark was based on a combination of:

(1) The original DSM contract value ($195 million); and

(2) A rough estimate, developed as part of the 1980 "Kulpa Task Force" report, of the cost to establish a second AFSCN control node ($402 million).

The Kulpa Report cost estimate did not include dedicated CSOC communications, dual-node range scheduling and control, the Engineering and Administration (E&A) building at CSOC, or any training program, and was not established as a baseline for the program. In 1982, an independent cost study, approved by Secretary Aldridge, estimated the baseline cost of CSOC (as currently designed) to be $900 million. In addition, the baseline requirements for DSM amounted to $400 million in 1982.

Performance. The Current Data System (CDS) at the Consolidated Space Test Center (CSTC) at Onizuka AFB, will be replaced by the Command and Control System (CCS). The CDS currently performs at a 99.9 percent success rate. The CCS at CSTC and CSOC is currently performing at a 92.4 percent success rate.

Before comparing these performance statistics, we need to clarify the differences in contact success criteria between CDS and CCS. From our experience in supporting satellites, we have learned a successful contact is much more than just receiving telemetry, commanding the satellite, and processing unique mission data. For most satellites, the time required to perform these functions is very short. Pre- and-post-contact planning require far more time and effort to complete. Herein lies the major difference between CCS and CDS. For CDS, most of the pre- and post-pass planning functions were performed manually, and contact success was measured by the system's ability to make contact with the satellite, receive telemetry, command the satellite and process any unique mission data. When requirements for CCS were established, we focused on improving the human interface in the system and sought to reduce the manual intensity of the planning function. Therefore, in CCS, the majority of the manual functions are accomplished by a computer. However, automation of these once manual functions made the previous contact success criteria used to evaluate CDS obsolete. A new "end-to-end" criteria was established to take into account the unique aspects of the capabilities of the CCS. We have applied this stricter criteria to CCS and expect the system to meet it. However, it has led to misinterpretations in comparing CDS and CCS contact success data.

For CCS, satellite contact performance is measured by the system's ability to support the following functions, from the time they begin until they are completed:

Pre-contact planning.

Actual contact with the satellite until it fades from view.

All satellite and mission data is completely processed.

All post-contact support activities requiring CCS assets, are complete.

Question. In a December 1988 briefing, Space Command officials stated that "some critical capabilities are still having problems."

What are these capabilities, why are they critical to your operations, and when will they be resolved?

Answer: As satellite operations continued to transfer to Command and Control Segment (CCS) throughout the past year, Air Force Systems Command (AFSC) has worked with AFSPACECOM to identify and prioritize outstanding problems with the system. As of mid-Dec 88, a comprehensive list had been evaluated and scheduled for resolution. These problems included some orbital analysis functions and command support processing for multiple simultaneous satellite contacts. Functions which have outstanding problems are generally supported by the Current Data System at the Consolidated Space Test Center (CSTC). Resolution of these issues is critical to AFSPACECOM since the capabilities cannot be implemented at CSOC until they are installed and tested at CSTC on CCS. These problems have been analyzed by the developers and will be resolved within the next 18-24 months if AFSCN disconnect funding is available.

Question. The Air Force response to the GAO's findings was that "requirements changed over the course of development." Yet, when these upgrades were begun, future plans for major space systems were well known. What requirements were changed, and why was their cumulative impact on our satellite control capacity not foreseen?

Answer. Detailed satellite support requirements for new, major space systems were not sufficiently defined when the CCS operational baseline was established. The basic Command and Control System (CCS) support requirements for major, new satellite systems were known and foreseen. However, the detailed requirements which directly impacted the baseline satellite data processing requirement of the CCS were not. Detailed requirements became more clearly defined during CCS development.

Due to the large scale of the CCS development effort and its criticality to both high priority national programs and lower priority programs, early user access to the new system was encouraged. One of CCS's primary enhancements over its predecessor was to be its user friendly interface. Early exposure to the system allowed operations personnel to identify critical user interface problems, not uncommon with other large development efforts. User involvement ensured interface problems were discovered early and scheduled for correction far in advance of CCS operational testing. But, this realtime evaluation also fostered a continuously changing system baseline. Due to the volume of software in the system (nearly 2 million lines of code), the user evaluation continued to surface problems which were subsequently analyzed and scheduled for redesign at the expense of program schedule.

Accounting for new, major satellite system support requirements, while simultaneously trying to establish a firm CCS requirements baseline and conducting a thorough user analysis of the CCS, combined to impact current CCS capabilities, capacity and program schedule.

A formal requirement process now exists among the AFSPACECOM, AFSC and AFLC communities; however, it was not in place during the early stages of CCS development.

Question. The GAO reports that the Air Force now plans to spend $1.85 billion to make these systems operational. The original estimate was about $600 million. What caused such large cost growth?

Answer. The original $600 million estimate was determined by adding the basic Data System Modernization (DSM) contract value of $195 million and an estimated cost for the development of an austere satellite control center in Colorado of $402 million. This latter estimate was from an Air Force study conducted in 1980 and did not include costs for a full-up communications system, a dual-node network control and scheduling capability, and an engineering and administration facility. It included only minimal costs for training programs.

The final estimated cost of $1.85 billion is comprised of $457.7 million, which was the final DSM contract cost, and $1.4 billion for total Consolidated Space Operations Center (CSOC) program costs. As mentioned above, the approved CSOC program included a substantially broader scope than that which was assumed for the original study. In addition, the GAO figure of $1.85 billion included approximately $300 million in Operation and Maintenance costs which should not be attributed to the CSOC acquisition costs.

In 1982, an independent cost study, approved by Secretary Aldridge, estimated the baseline cost of CSOC (as currently designed) to be $900 million. In addition, the baseline requirements for DSM amounted to $400 million. Increases beyond this total $1.3 billion estimate were due to: increases in satellite support requirements, including greater numbers and greater complexity of projected satellite contacts, schedule extensions caused by funding profile limitations, and the complexity of integrating a new satellite command and control system while simultaneously supporting space operations.

Question. After significant problems under the original contract, the Air Force closed that contract in December 1987. It then issued a follow-on contract—sole source to the same bidder—on a cost plus basis.

Why wasn't this work competed?

In retrospect, do you feel that normal market incentives, such as competition, would have resulted in better contractor performance?

Answer. The DSM effort was concluded in December 1987 following delivery of the systems by IBM, and acceptance by the responsible program office against contract requirements, with appropriate credit to the government for requirements which remained unverified. The Command and Control Sustaining Engineering (CCSE) contract is an ongoing maintenance and operational engineering support contract awarded in May 1986 to support the new CCS transition to full operational status. A contract of this type is a standard practice to provide sustaining engineering support for new systems. Given the government investment and knowledge-base with IBM at the time, the fact that several vitally important space programs were relying on that in-place experience to meet critical program schedules, and the cost and schedule impacts of "initializing" a new contractor, the decision to proceed with IBM as the CCSE contractor was, and is, considered prudent. At the government's direction, this contract included a subcontractor support level of at least 50 percent to cultivate expertise in the CCS system and provide a competitive field from which to select the follow-on sustaining engineering contractor for the system.

Question. A recent Air Force study concluded that "the capacity at the Consolidated Space Operations Center (CSOC) for satellite operations, training, and support functions is expected to be inadequate when projected future satellite programs are added to existing programs." Does this mean that even after spending $1.8 billion (three times the original cost estimate), the CSOC facility will be inadequate? Please explain.

Answer. The CSOC facility was sized to handle all existing and projected programs at the time of its original design. There are currently no definitized operational requirements for AFSPACECOM programs which exceed the capacity of the CSOC facility. Training functions were not programmed to be included in the CSOC facility; however, the current baseline plan includes satellite operations training in a separate, dedicated training facility. Training facility requirements for other future programs are yet to be definitized. There are no known shortfalls in support functions for current or future AFSPACECOM satellite programs.

DEFENSE SUPPORT PROGRAM (DSP) FOLLOW-ON

Question. Current plans call for the current Defense Support Program (DSP) satellite, which provides early warning of ICBM and SLBM launches, to be replaced in the 1990s by SDI's Boost Surveillance and Tracking System (BSTS) satellite. Are you convinced that the existing DSP cannot be upgraded to a satisfactory performance level to accomplish tactical warning and attack assessment during the 1990s, and, if so, what are its limitations?

Answer. ———.

Question. The current five-year plan includes $1.4 billion for BSTS development through FY 1994. This will apparently not result in a full SDI-capable satellite, nor will it result in a full-scale flight experiment for an advanced early warning system. The flight experiment will only include subscale optics and a partial focal plane sensor, with the objective of data collection, not validation of full-scale engineering performance. And even this schedule presumes SDI funding profiles which may be reduced. Are you comfortable with the current BSTS program plan, and, if not, why not?

Answer. ———.

Question. In your view, at what point in the BSTS schedule should we abandon further improvements to the existing system?

Answer. At Milestone II Decision for BSTS (FY91). We must still ensure that DSP remains a viable operational asset through the transition to BSTS. We should hold the line on DSP improvements to those deemed critical. ———.

Question. Given the critical nature of the early warning mission, and the fact that the first BSTS satellites may only include the capability for early warning (and not SDI or other requirements), would you be more comfortable if budgetary control for BSTS full-scale development resided with the Air Force now, to ensure that these schedules will be met?

Answer. It is imperative that there be no break in the early warning mission during transition from DSP to BSTS. To that end we are working on a Transition Plan that will ensure that capability is maintained. As CINCNORAD my primary responsibility is to provide for mission readiness in Tactical Warning and Attack, Assessment for North America. At US Space Command, we provide worldwide support from space to the other U&S Commands. Therefore, our concern is not so much who funds BSTS but rather that it is funded to the levels necessary to provide the best possible system and that there be no schedule slippage that impacts mission readiness. However, we are satisfied with the present arrangement for the funding of BSTS and see no reason to alter course because SDIO has done an excellent job in providing the necessary funding.

ADVANCED SATELLITE TECHNOLOGY (LIGHTSAT) PROGRAM

Question. The Defense Advanced Research Projects Agency (DARPA) requests funds in FY 1990 to continue the Advanced Satellite Technology (or "Lightsat") program. This effort is exploring the feasibility of low-cost satellite/booster combinations for direct use by regional or theater commanders. What is your view of the Lightsat program, and why?

Answer. USSPACECOM supports DARPA's LIGHTSAT program. As a supporting CINC to US theater CINCs, this program holds promise for much needed direct "force enhancement" from space systems.

On Boosters: USSPACECOM is interested in future launch systems than can provide responsive, reliable, flexible, survivable/endurable and affordable "assured access to space" for its space force enhancement, space control, and space force applications mission. Such systems should satisfy the requirements of two broad classes of space support: (1) support for U&S forces and national agencies during periods of peacetime, crisis or limited hostilities and (2) assured space access for critical payloads throughout the full spectrum of conflict including post-conflict reconstitution. The survivability requirement for this latter combat-capable class of launch vehicles will necessarily be geared for medium to light weight satellites. Such systems should be located at geographically distributed and/or mobile launch platforms/sites, and be capable of any azimuth and adverse weather capability. DARPA's investigation of small boosters could provide valuable information on the feasibility, capability, and utility of launch systems in this class.

Small Satellites: Obviously, smaller more combat-capable boosters will require smaller payloads. ———. But, we must address much more than the satellites and boosters, we must address the: threat; user; satellites; telemetry, tracking and control; launch; command and control; and the supporting infrastructures. Such a "tactical space system architecture" should be:

Tailored to needs of combat forces.

Adaptive to changes in threat, technology and world conditions.

Cost effective—in terms of total systems and life cycle.

System enduring—through requisite levels of conflict.

Achievable in near term—with available (not necessarily low capability) technology.

Timely—to meet needs of tactical commanders.

Total systems—take system approach.

DARPA's Lightsat Program, as well as other DoD small satellite efforts such as the Navy's SPINSAT, could provide valuable information on some of these issues.

Question. Would this program, if successful, help solve some of our problems in the areas of launch system survivability, launch responsiveness, and tactical support?

Answer. DARPA's LIGHTSAT effort, if properly focused, could help answer some important feasibility and combat utility questions concerning launch system survivability, launch responsiveness and tactical support.

Question. Is it your understanding that the air-launched "Pegasus" vehicle could also serve as an ASAT weapon?

Answer. I know of no stated requirements to use the "Pegasus" for an air launched ASAT weapons platform. As you know, "Pegasus" is an Orbital Science Corporation (OSC) and Hercules contractor funded initiative. Technically, the "Pegasus" could put as much as 50 lbs into a geosynchronous intercept trajectory and would, therefore, theoretically be well suited for potential ASAT missions. However, using "Pegasus" as an ASAT launch platform would present several problems. Firstly, OSC is developing "Pegasus" as a military and commercial space launcher. Using it in an ASAT role could jeopardize its use as a commercial launcher by appearing as a "threat" launch to the Soviet Union. Secondly, "Pegasus" is not designed as a militarized vehicle—it does not contain fully-redundant systems or MIL-STD class S parts and was not designed for storability. In short, I don't believe OSC is considering "Pegasus" for an ASAT mission, nor do I know of any DoD stated requirements for it to perform in an ASAT role. As you are aware, US Space Command states requirements for a warfighting capability, but cannot dictate a solution, such as "Pegasus."

DEFENSE SCIENCE BOARD STUDY: "ASSURED MILITARY USE OF SPACE"

Question. A 1988 summer study of the Defense Science Board reached some significant conclusions about deficiencies in today's military space capability. I'd like to read some quotes from that study, and have you address each in its turn. "Ground control installations are at a limited number of fixed locations and, in some cases, overseas. The architecture, as designed, contains limited redundancy and is fragile from a connectivity standpoint. The current architecture does not adequately support operational commanders."

Answer. ———.

Question. "Our launch facility complexes have become filled with unique, one-of-a-kind facilities. This lands to very long launch sequences, limited throughput and vulnerability to accidents, natural disasters, and terrorism in peacetime and to sabotage and cheap shot attacks during conflict. A comprehensive program is needed as the cost and politics are substantial."

Answer. I agree. We need to create military space launch systems that are much more responsive, flexible, robust, cost effective and survivable. This should include design of launch vehicle systems and payloads that provide rapid mix-and-match flexibility and interface standardization that allow any booster to launch all critical payloads at and below its lift capabilities. ———.

Question. "Satellites cost as much as $100,000 per pound. This is more than experienced in either national programs or commercial programs. Some changes could yield up to 30% savings in satellite costs."

Answer. I don't know of any military satellites that cost $100,000 per pound. Most range in costs from one-quarter to one-half that amount.

SATELLITE COST PER POUND

Satellite	Price per satellite (millions)[1]	Approximate dry weight (pounds)	Satellite price per pound (thousands)
DSCS III	$71	1,865	$38
FLSATCOM	76	1,860	41
DMSP	60	1,130	53
GPS 9–11	19	996	19
GPS Block II	34	1,862	19
DSP I	240	5,100	47

[1] Does not include RDT&E, integration or launch costs.

However, in my view, "cost per pound" is not necessarily a valid measure of effectiveness (MOE) for systems that support our combat forces. ———. We must reduce the cost of doing space business to the greatest extent possible commensurate with fulfilling the operational requirements of our forces. We must make our space systems more available to our forces, but not at the expense of combat effectiveness and survivability.

Question. "Very likely MILSTAR capacity will not be adequate to provide intratheater beyond-line-of-sight communications with sufficient capacity. It is, therefore, proposed that EHF MILSTAR-compatible packages be put on high altitude satellites to provide enduring anti-jam communications to theater forces."

Answer. MILSTAR was designed to provide survivable and enduring communications for the most critical strategic and tactical command and control requirements only. It was not intended to satisfy all requirements for jam-resistant beyond-line-of-sight communications. Current MILSTAR satellite loading assessments, based on JCS validated requirements, support the highest priority tactical and theater forces requirements.

Adding MILSTAR-compatible EHF packages to other high altitude satellites would provide supplemental anti-jam capacity to users. However, without significant investments to improve the survivability and endurability of the host satellites, control systems, and user terminals, these EHF packages may not adequately support user requirements. MILSTAR costs are largely driven by survivability and endurability requisites. When fielded, MILSTAR will be the National Command Authorities' most survivable, endurable, and jam-resistant communications system. No other existing or planned system will be able to operate throughout the projected threat in the pre-, trans-, and post-attack environment.

OSD has recently directed DCA's MILSATCOM System Office to lead a joint evaluation of alternatives to support anti-jam connectivity requirements (both strategic and tactical) which may not be supported by MILSTAR. The need for Extra High Frequency (EHF) packages on other host satellites will be part of this evaluation. The results of this joint effort will be reported to OSD late this summer.

SPACE SYSTEMS SURVIVABILITY

Question. Last year, Air Force Secretary Aldridge advised the Committee of multi-billion dollar shortfalls in space systems survivability. The recommended architecture to fix this problem includes: "smart" satellites, survivable crosslink communications, and mobile ground stations. In your view, what are the most critical shortfalls and why?

Answer. ———.

Question. Is Space Command participating in development of an implementation plan for the Satellite Control Architecture study, and, if not, why not? When will this plan be completed?

Answer. On 2 May 88, USSPACECOM forwarded a Required Operational Capability document on the Integrated Satellite Control System (ISCS) to JCS for approval. The long-term objective of the ISCS, which is consistent with the Air Force Satellite Control Architecture Study results, is a satellite control system in an architecture employing a combination of features to enhance survivability and increase operational efficiency, with emphasis on interoperability and standardization among component programs. Features include: internetted control centers; mobile control units; jam-resistant C^2 links; satellite relay cross-links; on-board mission data processing and "expert systems" to aid in anomaly resolution and provide medium levels of satellite autonomy. In September 1988, JCS validated the ISCS requirements and requested the Air Force to perform a Technical Assessment and Cost Estimate (TACE). Upon completion of the TACE, due shortly, JCS will open a joint action to approve an ISCS architectural solution. Upon JCS approval, the ISCS program will be assigned to a lead Service for implementation. At that time, USSPACECOM will assist the lead Service in the development of an implementation plan that satisfies operational requirements and is both affordable and executable within current fiscal constraints.

SPACE SYSTEMS OPERATING COSTS

Question. General, according to Air Force data, it costs over $2 billion a year to operate and maintain Air Force military space systems. What accounts for such high costs?

Answer. Air Force space-related operation and maintenance (O&M) is about $1.5 billion per year for FY 1989–91. The Air Force space-related O&M is about 10 percent of the total Air Force space-related costs.

Air Force space-related Military Personnel (MILPERS) costs are approximately $400 million per year for FY 1989–91, or about 3 percent of the total Air Force space-related costs.

The $1.5 billion in Air Force space-related O&M provides for the command and control of 67 satellites. It allows approximately 115,000 contacts per year by the Satellite Control Network, and provides about 17.5 million surveillance observations per year.

Question. Given the high spendout rate for these appropriations, are there ways to reduce these costs?

Answer. Cost saving measures are under continuous scrutiny. As a consequence of funding reductions to the FY 1988 budget, each O&M contract was reviewed exhaustively for possible savings. This resulted in a cut of $15 million, representing a 5 percent reduction. Because of continuing constraints in the O&M budget, we are looking for additional savings in FY 1989.

Another area in which O&M savings are being realized is through competitive procurements. The Air Force Space Command FY 1988 competition goal, set by the Air Force, was 75 percent, and we achieved 78.4 percent. Our single greatest concern in this area is dependence on proprietary data. One planned initiative for the future is the evolutionary purchase of data rights wherever economically and legally possible, and the procurement of new systems with the data required for O&M of the system. The FY 1989 competition goal is 76 percent of the contract dollars awarded.

Question. The FY 1990 budget includes over $250 million for military personnel costs related to Air Force space programs. Are there ways to more effectively utilize this workforce, including contracting out some functions?

Answer. Efforts are always on-going to achieve the most effective integration of an in-house and contractor work force. However, contracting considerations must always be secondary to the requirement for retaining military manpower to accomplish wartime essential functions. Contractor personnel already comprise 40 percent of Air Force Space Command's work force and may increase further as cost studies are completed. In addition to contracting, we continually adjust our manpower mix to achieve the most efficient work force required to perform the mission. For example, a significant number of officer billets have been converted to enlisted or civilian authorizations in an effort to reduce manpower costs. Additional personnel reductions have occurred as we reduced headquarters strengths, implemented automation advances and reduced manning costs through the use of simulators. An active productivity and manpower review program will ensure the proper work force mix will continue to be achieved as our mission demands evolve.

Question. State the number of military personnel assigned to space programs, by program and by rank.

Answer. The FY 1990 budget includes approximately $270 million for Air Force military personnel in U.S. Space Command and its component, Air Force Space Command. The following chart shows the number of Air Force officers and enlisted funded authorizations for USSPACECOM/AFSPACECOM.

	Total officers	Total enlisted
WWMCCS ADP	52	92
Space Defense Operations Center	225	269

	Total officers	Total enlisted
Ballistic missile tactical warning/attack assessment system	61	10
Ballistic missile early warning system (BMEWS)	23	151
Spacetrack	32	67
Defense Support Program	190	697
Submarine launched ballistic missile (SLBM) radar warning	138	299
Integrated Operational NUDETS detection system	13	2
Command Center processing and display system (CCPDS)	12	20
Base Operations—SPACECOM	119	693
Management Headquarters	323	166
Audiovisual activities	...	40
Real property maintenance	40	549
Training	132	58
Cobra Dane	12	21
GDIP activities	12	49
Worldwide military command and control systems information system	...	5
Milstar satellite communications systems	39	27
Satellite control facility	35	81
Special applications	37	93
Consolidated Space Operations Center	512	313
Satellite control facility	2	32
Defense Meteorological Satellite Program	107	224
Navstar global positioning system	98	108
General skills training	...	11
Health and dental	57	159
Other personnel activities	3	7
Off-duty and voluntary education programs	...	6
Undistributed adjustments (category X)	1	1
AFSPACECOM, total	2,275	4,250
USSPACECOM Msg. Hq./COS	177	107
Total	2,452	4,357

SOVIET SPACE THREAT

Question. Much attention has been given to recent announcements concerning possible troop reductions in Europe. How has "Glasnost" affected the Soviet's space threat to United States forces?

Answer. We have no evidence that "Glasnost" has reduced the space threat. Although the Soviets have released information on carefully selected space initiatives and activities, the overall thrust of their space program, particularly that dealing with the threat to US space systems, remains highly classified. ———.

Question. If Soviet European troop reductions actually do occur, how would this affect their need for space surveillance and other space activities in the future?

Answer. ———.

Question. Describe that part of the Soviet space threat which you consider to be purely "offensive"?

Answer. While it is the use of a system that is either offensive or defensive, rather than the system itself, we believe the Soviet coorbital ASAT is their primary operational offensive space control system. It was designed specifically to destroy enemy satellites. ———. A potential additional capability would be employment of the Antiballistic Missile (ABM-1B) in a direct ascent offensive role. Other Soviet technologies with offensive space control potential include directed energy, kinetic energy and neutral particle beam.

Soviet space reconnaissance satellites provide data for targeting US and Allied forces. The Radar Ocean Reconnaissance Satellite (RORSAT) system and the Electronic Intelligence Ocean Reconnaissance Satellite (EORSAT) system provide direct targeting data to Soviet Navy forces armed with anti-ship missiles.

U.S. SPACE PRIORTITIES

Question. General, your statement includes a comprehensive listing of many satellite and booster vehicle programs which are currently in acquisition. As you are aware, the conventional wisdom is that the DOD will be lucky to get zero percentage budget growth. What are your two or three top priorities?

Answer. US Space Command's high priorities are: (1) an antisatellite capability and (2) a space based surveillance system capable of detecting aircraft and ships.

Question. How does the Administration's budget address them?

Answer. At present it is uncertain what the Bush Amended Budget changes will be and how these budget changes will affect USSPACECOM programs.

Question. What shortfalls do you have?

Answer. The FY 1990-91 Reagan Budget included several funding shortfalls of key USSPACECOM priority programs. Included in the Budget were zero funding for Deep Space Surveillance Radar, Alternate Space Defense Operations Center (ASPADOC), and several Naval Space Command upgrade programs. Presently, it is uncertain how the new Amended Budget will affect USSPACECOM programs.

Question. General, assuming no change in the level of our commitments or in the threat, assess the adequacy of each of the following in enabling you to do your job:

A. Military and civilian personnel;
B. Operation and maintenance funding;
C. Support from each of the Services.

Answer. Military and Civilian Personnel: In 1985, the command was established with 583 funded billets, or about half the originally estimated manpower requirement. By FY 1989, funded end strength has grown to 653 with the majority of the growth in the intelligence area. However, even with this growth, the command is still almost 80 billets short of the requirement recognized by the JCS Manpower Survey of USSPACECOM in September 1987 as the minimum manpower required to carry out the assigned mission. With the evolution of the space mission and maturation of the command, approximately 95 additional billets are required in FY 1990 to satisfy current shortfalls or new missions. These additional billets meet shortfalls in operations, intelligence and plans, and support new taskings for Ballistic Missile Defense (BMD) and the intelligence community (General Defense Intelligence Program—GDIP).

Operation and Maintenance Funding: The overall operation and maintenance funding by the Services in the FY 1990-91 Reagan Budget met the necessary requirements for US Space Command. We understand the fiscal realities of a probable zero percent budget growth and believe we can continue to satisfactorily operate and maintain our sensors, facilities, and equipment.

Support from each of the Services: Each of the Services readily understands the significant support that space systems contribute to the U&S Commands. USSPACECOM participates in the Program Objective Memorandum (POM) process primarily through our components. Before our three components submit their POMs to the Services, I review the component commands' proposed submissions to see how well they support US Space Command requirements. In conjunction with the generation of Service POMs, USSPACECOM develops the Integrated Priority List which provides the Secretary of Defense, Chairman of JCS, and the Services the essential warfighting requirements prioritized across Service and functional lines in development of DoD programs and the budget. Overall, I am satisifed with the funding support by each Service in providing the necessary funds for competing USSPACECOM programs.

EFFECTIVENESS OF THE UNIFIED SPACE COMMAND ORGANIZATION

Question. When the CINCSPACE position was established, you were assigned a component command from the Army, Navy, and Air Force. Explain how your unified organizational structure works.

Answer. US Space Command is composed of a headquarters staff and three component commands: US Army Space Command, Naval Space Command, and Air Force Space Command.

The headquarters staff of US Space Command is organized as a "typical" joint staff. It has the normal J-1 through J-6 staffs, with one exception. Because of the considerable reliance on communications and computers, the normal J-4 (Logistics) and J-6 (Communications) functions have been combined into a single J4-J6 Directorate, the Command Systems Control and Logistics Directorate. The primary focus of the Headquarters, US Space Command staff is wartime planning and execution.

As in other U&S commands, the component commands have important warfighting and resource management roles.

Their forces and systems, in large part, make up the warfighting capability of US Space Command. (However, some forces and systems are directly assigned to and controlled by Headquarters, US Space Command.) The component commands must plan for and be prepared to support Headquarters, US Space Command operational war plans. Components employ warfighting forces in response to centralized direction by USCINCSPACE.

The component commands are responsible for advocating US Space Command requirements within their respective Service and are heavily involved in their Service's Planning, Programming and Budgeting System.

After a Service initiates an acquisition program in support of a US Space Command requirement, that Service's component command serves as the interface between US Space Command and the Service acquisition program manager. The component command is responsible for notifying USCINCSPACE of any acquisition problems, but the Service is responsible for the management oversight of the acquisition program.

Question. We understand that each Service desires to participate heavily in space activities. What do you, as CINC of the Unified Command, do to curb the Services' appetite for independence?

Answer. The Goldwater-Nichols DoD Reorganization Act significantly expanded the scope of CINC involvement in the Services' PPBS process.

US Space Command has developed a formal and effective process for identifying requirements and advocating them within the Services' PPBS processes.

During the POM generation, each component command submits its candidate programs to Headquarters, US Space Command for review and CINC guidance on the importance of each program in meeting US Space Command warfighting requirements.

In conjunction with the POM generation process, Headquarters, US Space Command develops an Integrated Priority List (IPL). This IPL serves as the foundation for ranking candidate component command programs. As directed by the Goldwater-Nichols Act, this IPL is also provided to the Secretary of Defense, Chairman of the Joint Chiefs of Staff, and the Service Secretaries.

Additionally, during the PPBS cycle, each CINC is invited to participate in Defense Resource Boards and to express his views on the shortfalls of Service programs in meeting his command's requirements.

I am very satisfied with our ability to guide and integrate the Services' support of US Space Command missions.

Question. A recent study of DoD headquarters activities conducted by the DoD Inspector General for the Secretary of Defense suggests that there is an imbalance in the U.S. Space Command, with too many Air Force people and too few Army and Navy.

What is the manning percentage breakdown?

How have you responded to this finding?

Answer. Of the 653 authorizations in US Space Command, 581 are military and 72 are Air Force civilians. Military population by Service is: Army—17 percent, Navy/Marine Corps—34 percent, and Air Force—49 percent. When USSPACECOM was created in 1985, JCS recommended a Service distribution goal of 20 percent Army, 30 percent Navy/Marine and 50 percent Air Force. We are on target with our current funded billets.

I did not respond directly to the DoD IG study suggestion of a 25-25-50 percent Service distribution for unified command headquarters. However, I believe unified command staffs should be sized in relation to Service and components as that is an indication of their contribution to the unified mission. The Air Force has by far the largest space program and Air Force Space Command is the largest of USSPACECOM's components. AFSPACECOM has approximately 8500 military and civilian billets with a FY 1989 operations and maintenance (O&M) budget of $593 million. Army Space Command has approximately 100 billets and a FY 1989 O&M budget of $17 million. Naval Space Command has slightly more than 700 billets and a FY 1989 O&M budget of $62 million. Accordingly, Air Force representation on the unified staff is the largest of the Services.

Question. The same report suggests that "current approach is to continue the development of three major component commands (one for each Service) and apportion the USSPACECOM mission areas to each Service component. In effect, this organizational structure will perpetuate duplicate Service "unique" headquarters, each developing policy and plans, operating and managing portions of the USSPACECOM systems. The U.S. Space Command and its Service components can operate more effectively and efficiently if consolidated into a single, truly unified command, with representation from all the Services."

How have you responded to this finding?

Answer. The principal recommendation of the Vander Schaaf Report called for the elimination of the component commands of all three "supporting" Unified Commands: US Space Command, US Transportation Command, and US Special Operations Command. In our response to the Chairman, Joint Chiefs of Staff, we took strong exception to the report on this point.

The essential role of the Service components of the Combatant (U&S) Commands has long been validated. Far from enhancing the effectiveness and efficiency of US Space Command, the elimination of the three Service component commands would, in fact, diminish the ability of USCINCSPACE to focus on his principal role—wartime planning and execution.

The recommendation to eliminate component commands fails to recognize the basic doctrine of the Goldwater-Nichols Reorganization Act, which separates the force employment responsibilities of the Combatant (U&S) Commands from the resource management responsibilities of the Military Departments. The Service component commands are not only an integral part of the warfighting capability of the Combatant Commands, but also a vital link to their respective Service's resource management process.

spective Service's resource management process.

In the U&S Commands-Services relationship established by the Goldwater-Nichols Act, the advocacy of component commands is essential for ensuring that the requirements of U&S Commands are adequately considered by the Military Departments.

Question. Do you write the fitness reports for the commander of each of your component commands?

Answer. I am directly in the rating scheme for commanders of Army and Naval Space Commands. Commander, Air Force Space Command, as a Lieutenant General, does not recieve a written performance report.

CINC'S INPUT TO THE DEFENSE BUDGET

Question. Please explain how you, as Commander in Chief of the Space Command, submit your requirements to the Department of Defense and how these requirements are considered in the overall budget process.

Answer. U&S CINCs submit their requirements, in the form of Mission Need Statements (MNS) and Requirements Submissions (RS), to the Joint Staff for validation. Mission Need Statements must be validated by the Joint Requirements Oversight Council (JROC) and if validated, are submitted to the Defense Acquisition Board for resolution, and recommendation to the SECDEF.

USCINCSPACE participates in the generation of Service Program Objective Memorandum (POM) through the component commands. POM guidance is given to component commanders on US Space Command warfighting requirements and priorities. This guidance is used in developing programs and budget requests submitted to the respective military departments of the component command. Before components submit their POMs to Service headquarters, component commanders review their submissions with USCINCSPACE to ensure their programs and budget requests meet the warfighting requirements of US Space Command.

USCINCSPACE also provides the Secretary of Defense, Chairman JCS, and the Secretaries of the Military Departments a list of essential programs, needed to meet warfighting requirements, prioritized across Services and functional lines for consideration in development of the DoD program and budget. The Intergrated Priority List (IPL), as it is called, identifies capability deficiencies in carrying out Command missions and contains potential programs that will correct these deficiencies.

Question. What is your involvement in the decision process after requirements are submitted?

Answer. USSPACECOM's involvement in the requirements decision process includes participating in a June Defense Resources Board (DRB) in which the Services' POMs are reviewed to make sure they adequately support national policy and resulting military strategy. During POM submission years, there are three primary actions involved with CINC participation:

USCINCSPACE forwards to the Secretary of Defense his views on the Services' POMs. The submission focuses on programs which fail to satisfy operational requirements.

USSPACECOM personnel participate on OSD issue teams that develop issue packages for the June DRB deliberations and decisions.

USCINCSPACE participates in the initial sessions of the June DRB meeting. Each CINC is invited to make formal presentations on issues affecting his command.

During non-POM submission years, a DRB is held to review implementation of previous programs or directions resulting from the PPBS, and to review and approve the Defense Guidance used for guiding POM development. USCINCSPACE participation includes:

Providing written comments and/or recommendations on the "for comment" draft of the DG prior to the DRB.

Participating in the DRB sessions relating to the adequacy of existing capabilities to meet the DG strategy.

Question. What is your evaluation of the process used by DOD to obtain CINC input to the budgeting process?

Answer. In the two years since the 1986 Goldwater-Nichols DoD Reorganization Act became law, the CINC role in the Biennial Planning Programming Budgeting System (PPBS) has been greatly strengthened to assure resources, managed by the Service Components, conform to the priorities established in CINC warfighting mission requirements.

NATIONAL GUARD AND RESERVE FORCES

Question. The inception of the "Total Force" policy in 1973 increased our reliance on the Reserve Components. Today, with all the discussions on active troop reductions and/or troop withdrawal from certain areas, additional requirements will be added to the missions of the Reserve Components. To what extent does CINCSPACE depend on Reserve personnel? On National Guard personnel?

Answer. At the present, the unified command and its components have limited Reserve and no National Guard participation in the space mission. With regard to Reserve Forces, support of USSPACECOM and two of its components (Army Space Command and Air Force Space Command) is through the individual/joint mobilization augmentee program. Naval Space Command, the third component, was established as a Reserve unit at Dahlgren, Virginia to support its role in the space mission.

I have asked my staffs (unified as well as components) to place a high priority on increased Reserve and National Guard roles in space. We have studies underway to define how they might more fully participate.

Question. In your opinion, is there a requirement for additional support from the Reserve Components?

Answer. There may be a requirement for additional Reserve component support. As previously stated, I have asked my staffs to place a high priority on studying increased Reserve and National Guard roles in space.

Question. How well do the assigned units perform their missions?

Answer. As previously stated, USSPACECOM and two of its components (Army Space Command and Air Force Space Command) do not have Reserve units. The third component, Naval Space Command, has a Reserve unit, NRO 0166. This unit of handpicked, high technology individuals provides outstanding support to the space mission. Recently this unit has almost doubled with additional growth requested.

Question. Are you aware of any problem areas? If so, what are they and what recommendations do you have to correct any deficiencies?

Answer. I am not aware of any problem areas.

[CLERK'S NOTE.—End of questions submitted for the record.]

WEDNESDAY, FEBRUARY 1, 1989.

COMMANDER IN CHIEF, UNITED STATES SPECIAL OPERATIONS COMMAND

WITNESS

GENERAL JAMES J. LINDSAY, UNITED STATES ARMY, COMMANDER IN CHIEF, UNITED STATES SPECIAL OPERATIONS COMMAND

[CLERK'S NOTE.—Due to the classification of the material discussed with General Lindsay, the hearing will not be printed. However, the questions for the record will be printed at this point. Questions submitted by Mr. Dicks and the answers thereto follow:]

ARMY DEVELOPMENT AND EMPLOYMENT AGENCY (ADEA)

Question. A major goal of the Goldwater-Nichols Department of Defense Reorganization Act was to provide the Commanders of the Unified and Specified Commands with adequate authority and responsibility to carry out their wartime missions and to provide them with budgetary resources to meet unique requirements including combat and materiel development. General Lindsay, I understand that in the past your command utilized the Army Development and Employment Agency to identify and analyze your (unique) requirements for military application of off-the-shelf technologies. Could you describe your work with ADEA and the contribution it made?

Answer. ADEA was established in 1983 by the Department of the Army to design the High Technology Light Division. Its mission was broadened in 1985 to expedite non-developmental item (NDI) solutions for the total Army. As part of that total effort, ADEA supported Army SOF extensively with USAJFKSWCS as the combat developer. ADEA provided field evaluations of such items as desert mobility equipment, snowmobiles and SATCOM radios. ADEA evaluates these as possible non-developmental items, but does no formal testing.

Question. As you know, the Army has decided to disestablish ADEA. As a result, how are you meeting the requirement for non-developmental items (NDI)? Is it as responsive as ADEA was, especially in cases when requirements dictate very limited purchases?

Answer. NDI is an approach to acquisition that is not limited to any single agency. USSOCOM has the flexibility to effect a Memorandum of Agreement or Memorandum of Understanding appropriate to the system under consideration and the expertise of the agency or lab involved. If an NDI response is pursued, there are several agencies or labs available that have a record of responsiveness. For example, we can and are evaluating potential NDI items through the US Army JFK Special Warfare Center's Concept Evaluation Program. This program capitalizes on the proximity of Special Operations units to perform user testing and the Airborne and Special Operations Test Board for test and evaluation expertise. ADEA was very helpful and responsive to SOF needs. The challenge in responsiveness is not in obtaining NDI items, but in getting the Services to accept informal evaluations (rather than Service lab formal evaluations) to speed up the acquisition process.

Question. The committee has directed the Secretary of Defense, in conjunction with the JCS, to submit a report on a proposal to reorganize ADEA to be an agency of the Department of Defense specifically to provide direct support to the Unified and Specified Commands. What advantages could such an organization provide in your operations?

Answer. If ADEA is resourced and funded without cost to the unified and specified commands, it would provide an additional resource for funding of analyses, evaluations and acquisition projects.

Question. In particular, would you find it useful to have at the JCS level an analytical agency that would provide prompt response to problem areas you have identified in areas such as combat and materiel development, operational concepts, organizational and operational plans, special operations missions, low intensity conflict and use of emerging technologies and test beds?

Answer. Joint Warfare Center should assume both the analytical and simulation support requirements for USSOCOM.

Question. Related to this proposal is the need, expressed by the Defense Science Board, to create a joint simulation/gaming center. The Defense Science Board recommended that the agency to execute this center should be either ADEA or DARPA. What are your views concerning the creation of this capability by including it as one of the missions of an ADEA type agency reporting to the JCS?

Answer. An ADEA type agency (or one that can easily be reconfigured to be closer to the ADEA format) reporting to the JCS already exists—the Joint Warfare Center at Hurlburt Field, Florida. Operationally, the JWC is under FORSCOM, but final authority over JWC policy rests with the Operations Deputies and JCS.

Question. I understand that a message has gone to all the CINCs asking for their comments on this proposal by February 20. I would appreciate being provided with a synopsis of your recommendations to assist us in evaluating whether this proposal has merit, and if so, how it should be implemented?

Answer. This command views the Joint Warfare Center (JWC) as the focal point for its joint simulation/gaming center, and views the creation of another agency to be unnecessary. USSOCOM is working with the JWC to identify SOF-unique simulation and gaming techniques.

[CLERK'S NOTE.—End of questions submitted by Mr. Dicks. Questions submitted for the record and the answers thereto follow:]

FY 1989 CONGRESSIONAL ADD-ON

Question. In FY 1989, the Congress added $286 million above the budget request in a special appropriations for SOF programs. FY 1989 is now a third of the way completed. Could you briefly run

down each of the major categories for which funds were added and tell us the status of obligating these funds:

$108 million for Army communications equipment.

$100 million for Navy small boats.

$25 million for miscellaneous Navy equipment.

$53 million for Army and Navy O&M.

Answer. We have a plan to obligate the $286 million plus-up. On February 2, 1989, the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict notified Congress of DOD's plans to utilize the $286 million. On February 8, 1989, the funds were authorized for release. We have begun to implement our spending plan.

FY 1990 BUDGET REQUEST

Question. **The FY 1990 SOF budget request totals $3.2 billion. This is an increase of $970 million or 43 percent over the FY 1988 SOF actual expenditure. Why should the SOF budget be permitted to increase so rapidly when many other DOD programs are being stretched out or cancelled in the FY90 budget request?**

Answer. Special Operating Forces have been underfunded since the end of the Vietnam War. While other military programs were undergoing modernization, SOF modernization was deferred by other DOD priorities. To counter a deteriorating special operations capability, Congress mandated a revitalization of special operations forces resulting in the creation of the US Special Operations Command and acceptance of a plan to rejuvenate SOF infiltration/exfiltration capabilities.

The funding for many of these programs peaks in FY 1989 and 1990. This contrasts with other DOD programs which reached peak funding during modernization in earlier years. The FY 1990 SOF budget request keeps the Congressionally mandated revitalization on track and significantly enhances the nation's special operations capability.

Question. **Frequently we can project your future budget requests in the Defense bill by looking at your military construction requests. Between FY 1988 and FY 1991, you will spend over a third of a billion dollars on new military construction. Will there be large operation and maintenance (O&M) and procurement requests in the out years to operate and equip these facilities you are currently proposing to build?**

Answer. SOF military construction is in support of programmed force structure growth. While often there is a direct relationship between this military construction and procurement programs, some additional construction will be in support of our existing forces and our proposed force growth. Hence, we are seeking construction programs such as hangars for the Combat Talon II aircraft, headquarters, training, and maintenance facilities for activation of the 3rd Special Forces Group; and SEAL Team EIGHT. Typically these operations and maintenance costs are budgeted in host base accounts which are not in MFP-11. No large procurement requests will be needed in the out years to equip these facilities.

Question. Why do we need to do so much new military construction for SOF units?

Answer. Funding levels for SOF military construction reflect costs associated with standing up new commands, increases in force structuring and phasing out substandard billets and support facilities.

For the Army, funds were programmed to construct a full complex of supporting facilities for our Special Forces Groups (SFG). These complexes consist of barracks, dining, administrative, operational, and maintenance facilities needed to adequately support the groups. The remaining Army projects include an Army component command headquarters, and additional operations, maintenance, and training facilities.

For the Navy, MILCON projects cover the entire spectrum: a headquarters building, billeting facilities, operations, training and maintenance facilities, and ranges. For example, current projects include a facilities complex and boat maintenance and operations facility for SEAL Team FOUR. In Panama, a full support facility has been programmed for Naval Special Warfare Unit-8. Command and Control/Headquarters facilities for NAVSPECWARCOM, currently operating from rented trailers, are also programmed.

For the Air Force, MILCON projects are generally associated with fielding new SOF aircraft and weapons systems at Hurlburt Field, FL and new training facilities at Kirtland AFB, New Mexico. Clark Air Base, RP, was authorized funds for an aircraft nose dock, fuel hydrant system and MH53 hangar. Hurlburt Field received approval to build an aircraft simulator facility, dormitory, aircraft parking apron, aircraft maintenance shop, and consolidated support center.

In sum, except for fielding the CV-22, future SOF MILCON requirements will be significantly reduced. Current funding projections are adequate to support SOF build-up and improve readiness of our forces.

SOF COMMAND STRUCTURE

Question. When the CINC SOF position was established, you were assigned a component command from each of the primary Services: the 1st Army Special Operations Command; the Naval Special Warfare Command; and the 23rd Air Force. It is our understanding that both the Army and Navy component commanders are flag officers with substantial special operations experience. Is that correct?

Answer. That is correct; combined both commanders have over 50 years of special operations background and personal qualifications.

Question. It is also our understanding that your Air Force component commander is an outstanding officer, but he does not have a SOF background. Is that correct?

Answer. Major General Bob Patterson is an outstanding officer with over 33 years experience. His special operations background includes operations experience as an AC-130 gunship pilot in South East Asia from June 1970 to January 1971. He has served at all comand levels and is currently the commander of all Air Force

Special Operations Forces, a position he has held for the past 3½ years. Also, he was deeply involved with the Grenada operation. He has over 9,000 flying hours, 293 of which are combat.

Question. In fiscal year 1988, this committee directed that "key positions critically affecting Special Operations. . . should typically be filled with individuals who have a Special Operations background." Do you feel that you are complying with this Committee directive?

Answer. Commanders, directors, and other key operators and planners, with the most significant impact on special operations, have been selected for both their professional and special operations qualifications. The Services have provided USSOCOM and its components their best special operations personnel for these positions.

Question. The Committee has been told that you write the fitness reports for your Army and Navy component commanders, but that the Air Force Military Airlift Commander writes the fitness report for your Air Force component commander. How well can you command SOF air units when you don't truly command your own air commander?

Answer. Your information is incorrect. CINCSOC writes fitness reports on all component commanders including the AFSOC commander. The Air Force fitness reporting system provides for parallel fitness reports as appropriate. COMAC prepares a separate report on Major General Patterson which addresses the administration and logistics aspects of his command. This is not unique to the Air Force—in fact the TRADOC commander provides input for the fitness report on the CG, JFK Special Warfare Center, and the Deputy CG of Forces Command provides input for the fitness report on the Commander, 1st SOCOM.

Question. Two years ago the Congress directed that all SOF resources be centralized into what is now called Program 11 in the DoD accounting system. Is that centralization complete?

Answer. On 24 January 1989, the Acting Secretary of Defense directed the United States Special Operations Command (USSOCOM) prepare a Program Objective Memorandum (POM) and budget for SOF resources in Major Force Program Eleven (MFP-11) for the FY 1992-97 cycle. We are currently revalidating MFP-11 and the results will be used to update MFP-11 and will serve as the baseline for the preparation of the FY 1992-97 USSOCOM POM and budget.

Question. As part of the legislation which created the CINC SOF Command, you were to be given control of these centralized resources. Would you walk the committee through the time table for each year beginning with FY 1988 and tell us exactly what involvement you have with resource planning, budgeting, and execution?

Answer: USSOCOM involvement in resource planning, budgeting, and execution was directed by the DEPSECDEF in September 1987. Secretary Taft directed that the Services crosswalk funds supporting Special Operations Forces into Major Force Program 11; that the ASD (SO/LIC) represent SOF on the DRB; that USCINCSOC submit an Integrated Priority List to the Services and CJCS; and that reprogramming rules be changed to shield MFP 11 resources from Service initiated budget cuts. USCINCSOC participates in the DRB process as required.

Entering FY 1988, USSOCOM was in a position to influence the DOD Planning, Programming, and Budgeting System. In October-December 1987, USSOCOM participated in the FY 1989 Amended Budget Submission. During the April-December 1988 time frame, the USSOCOM staff, working closely with ASD(SO/LIC), analyzed the FY 1990-94 POM submission and significantly influenced the funding levels that resulted from the POM review and the DOD Budget Estimate Submission to the President's FY90 budget.

During FY 1988, USSOCOM established itself as a major player in the programming and budgeting arena. The command now possesses the required expertise and is ready to expand its role in the planning program. On 24 January 1989, the DEPSECDEF directed in writing that USSOCOM will prepare and submit its own FY 1992-97 POM, formulate the FY 1992 MFP 11 budget, and begin limited execution in FY 1991 and full execution in FY 1992.

Question. SOF forces have a unique airlift requirement in that they must be able to get troops into and out of areas that may be up to a thousand miles away, controlled on both the land and in the air by hostile forces, and do it all without the enemy knowing they were even there. How would you rate your airlift capability to meet this mission today?

Answer.———.

*Question.*What specific proposals are included in the FY 1990 budget to help meet your airlift requirement?

Answer. There is money budgeted in FY 1990 for both SOF aircraft procurement and modification of existing aircraft. The FY 1990 budget request includes funding for 2 MC-130Hs, 5 AC-130Us, and 11 MH-60Ks. Modification efforts funded include the MC-130E, AC-130H, HC-130P/N, MH47-Es and MH-53J. Additionally, there is RDT&E money budgeted for the CV-22, MILCON to support some of the above aircraft and funding for approximately 23 percent of the FY 1990 WRSK requirement.

Question. The Air Force proposes in FY 1990 to continue development of the the Air Force version of the V-22 aircraft called the CV-22, which would be used for long-range special operations. In December 1985, the Navy selected an engine concept for the V-22 which had less range than other designs. Since that time, the Air Force has been looking at ways to increase the CV-22's range. Will the baseline V-22 engine have adequate range for the Air Force long range SOF mission?

Answer. Current CV-22 engine capability combined with the proposed platform indicates it does meet the 500NM combat radius "REQUIRED" in the 8 December 1987 System Operational Concept document. It does not, however, appear to approach the "DESIRED" 700NM combat radius delineated in that same document. Consequently, efforts are ongoing to evaluate better engines and means of decreasing aircraft weight. Unrefueled, the CV-22 is considered suitable to meet some, but not all taskings.

Question. Describe the deficiency and what needs to be done?

Answer. Engine deficiency is a combination of technological shortfalls in general engine and airframe design, further complicated by planning to worst case mission profiles. Better engine performance, combined with lighter CV-22 aircraft configuration, is the long-term answer. In the short-term, additional fuel carrying capacity and penetrating tanker support must be planned for the CV-22. We are working with the Air Force on these issues.

Question. The Air Force, in conjunction with your Command, has begun studying other concepts, such as VSTOL aircraft, for SOF mission. Explain the need for these studies.

Answer. Last year, Air Force Systems Command and USSOCOM agreed to work together in merging SOF requirements with developing technologies. It takes approximately 14 years to move from an aircraft concept to "rubber on the ramp". Up to now, SOF aircraft have been created through an arduous process of adding on appropriate systems to an aircraft originally developed for some other mission. It is now necessary to explore concepts for a 21st century SOF aircraft using state-of-the-art technology to match our unique requirements. Specifically, signature reduction, increased speed and range, increased reliability/maintainability, etc., are areas of concern. Air Force Systems Command and the Air Force Wright Aeronautical Laboratories have funded two studies by Boeing and McDonnell Douglas to conduct a system concept analysis for a future SOF VSTOL aircraft. These reports are due January 1990. With the long lead time for aircraft development, the effort is not premature. By the year 2010, Combat Talon Is will be 40 to 50 years old and the avionics packages will consist of 20 to 30 year-old technology at best. Although the Combat Talon II will be "relatively" new in 2010, the airframes will be 20 years old also using 20 to 30 year-old technology. It would not be prudent to wait any longer to start looking for an aircraft to replace the primary long-range infiltration vehicle, and to augment the CV-22 exfiltration capability at longer ranges or in higher threat areas.

Question. Does the fact that the Air Force is studying other concepts portend a lessening of commitment to the CV-22?

Answer. No, the studies are only looking at design concepts, not numbers or replacement of aircraft. The requirement for the CV-22 has been well documented. However, the problems with its range point out the need to continue looking at the long-range mission. Again, it is imprudent to wait to start looking for an MC-130 replacement.

Question. The CV-22 was originally supposed to meet the SOF requirement of a 1000 mile unrefueled mission to insert and retrieve a fully equipped SOF team. At last report, it appears that the CV-22 will only have a 550-600 mile capability. How will you meet your 1000 mile requirement without the CV-22?

Answer. The United States Air Force Special Operations Master Plan, 19 February 1987, identifies the number and range of missions in each theater. Some missions cannot be met with the current CV-22 range limitation, and others can only be met by the CV-22 if it is refueled behind the lines by penetrating Combat Talon tankers. The CV-22 range must be extended or additional Combat Talons/Tankers/future aircraft must be available to complete the longer missions.

Question. DARPA has been working with industry to develop the Advanced Technology Tactical Transport aircraft, called "AT cubed". Are you familiar with this effort?

Answer. Yes, I am familiar with AT cubed.

Question. Could you describe it for the committee?

Answer. The Advanced Technology Tactical Transport is a program intended to explore current technology design concepts which may be applicable to future light transport aircraft.

Question. Has the requirement for such an aircraft been defined?

Answer. While we have unmet SOF/LIC needs, we cannot judge whether the ATTT will meet those needs until the current R&D effort is completed.

Question. From work accomplished to date, has a general configuration, size and range capability emerged?

Answer. The characteristics above depend upon the specific requirements and mission profiles which the aircraft must meet. Until completion of the current R&D effort, it is premature to comment on elements which have not been defined.

Question. Are there capabilities or characteristics that this aircraft offers that are not available in any current off-the-shelf aircraft?

Answer. I understand that ATTT is projected to have a range and endurance advantage as compared to current off-the-shelf aircraft.

Question. If you had control of the SOF R&D funds requested in the FY 1990 budget, do you believe any of the funds should be allocated to the ATTT?

Answer. It appears that sufficient funds have already been provided in FY 1988 and FY 1989 to complete the currently planned R&D efforts. Until the current efforts are complete, requests for additional program funds seem to be premature.

Question. What are the plans for the program after the FY 1988 and FY 1989 funds are expended?

Answer. Upon completion of the R&D efforts, the ATTT program will be fully evaluated for applicability to our needs. If it is determined that ATTT is capable of filling a mission void, a full scale development effort could be the logical next step.

COMMUNICATIONS REQUIREMENTS

Question. One of the biggest problem areas facing our SOF units is communications equipment. The nature of the mission requires a secure, low probability of intercept, interoperable communications capability. Can you briefly summarize the results of your Master Plan which was completed last August?

Answer. A description of the plan and a summary of the results were provided in my prepared statement.

[Clerk's note.—A copy of General Lindsay's statement is retained in the Committee's files.]

Question. DOD has received a lot of criticism for lack of communications capability between the military services during joint operations. We all remember the story about the Army Ranger in Grenada who had to use his personal commercial telephone credit card to call Fort Bragg to relay a message to other U.S. troops in Grenada. What is included in the FY 1990 budget request to continue to strengthen this area for SOF units?

Answer: First, I will address your mention of the story concerning the telephone credit card call from Grenada. During my tour as Commander of the XVIII Airborne Corps, one of my responsibilities was to gain as many lessons learned as possible from the Grenada incident. The use of commercial telephones by our military forces, to which you refer, was researched intensely and with considerable interest. However, our research could not validate conclusively that calls were made from Grenada to Ft. Bragg and back to Grenada. No doubt such incidents did occur. One popular anecdote was that a telephone credit card call was made to call in an air strike in support of our troops in Grenada. Again, our research revealed no such incident occurred. We did identify some problems resulting from incompatible crypto key material between participating forces. This crypto problem was solved through implementation of the Intertheater Command and Control COMSEC Package. This package provides standard COMSEC key material for each unified command's joint operations. With this package, all forces will have the same COMSEC key material when deployed.

In reference to the FY 1990 budget, $26.5 million has been identified within the Army for Modernization of SOF Radio Systems (SOF MOD RADIO). The SOF MOD RADIO is composed of several programs dedicated to improvement of SOF communications at both the team and unit level. Although the Army is managing this program, all the Services will eventually benefit. The Air Force is dedicating $1.2 million in SOF Command and Control funds towards the purchase of SOF team communications equipment (mainly manpack High Frequency and Ultra High Frequency radios). Navy SOF is funded for $1.43 million to support procurement of team communications equipment (Satellite Communications) and communications base stations for FY 1990. We have and will continue to monitor and influence the expenditure of these funds to ensure our goal of interoperability is met.

Additionally in FY 1990, the President's Budget contains $15 million in R&D will be available for the Joint Advanced Special Operations Radio System, a joint funded program designed to significantly improve SOF team communications. Issuing this standardized system of communications to the Services will greatly enhance SOF communications interoperability.

The highest priority on this command's Integrated Priority List (IPL) is joint communications interoperability and increased capability of SOF forces in communications (JASORS program). Through my Command and Control Architecture, USSOCOM C2 Master Plan and the review of supported CINC OPLANS and CONPLANS, this command is dedicated to solving interoperability problems in SOF communications.

Question. In your prepared statement you indicated that you have five major communications initiatives underway. Yet they all support only your SOF headquarters and appear to do nothing for the units you are responsible for training. Since the SOF units reporting to you in peacetime transfer to other CINCs when the fighting actually begins and your headquarters stays in Tampa, Florida, shouldn't the priority be placed on upgrading the communications capability of the fighting units and not the peacetime training headquarters?

Answer. My highest priority is focused on the fighting units. As a supporting CINC, a fundamental mission of the command is to equip the Special Operations Forces. Operational team communications is one of my highest priorities. Communications above the team level is also important with headquarters communications being last in requirements. Special efforts have been made by USSOCOM to defend SOF Command, Control, and Communications programmed funds from budget cut drills. We have successfully sought and obtained Congressional appropriations for funding fighting unit communications shortfalls. In addition, we have to fund the Joint Advanced Special Operations Radio (JASORS) Program. This radio system will be a joint program addressing lightweight, secure, interoperable, low probability of intercept/low probability of detection (LPI/LPD) communications for operational teams.

Mention of the five major communications systems supporting the headquarters was made to focus on my command and control capability. These systems, not resident in the headquarters when my command was established, are necessary to provide command and control of forces in peacetime and operational control should the President or Secretary of Defense order me to exercise my Congressionally mandated responsibility to execute an operational mission as a supported CINC. The cost of the five major systems was a small fraction of the overall funds programmed for SOF communications.

Question. Is any of the $108 million added by the Congress above the FY 1989 budget being used for headquarters or administration communication requirements, or will it all be allocated to support specific deployable SOF units?

Answer. All funds are directed toward efforts that substantially improve communications of deployable units and the command and control function of supporting headquarters.

READINESS

Question. Four years ago, the Committee investigative staff found significant readiness problems in our SOF units. For example, they found that:

All of the Army reserve component Special Forces Groups were rated C–4 or not combat ready. Sixty percent of the core Air Force SOF aviation units were rated either C–3 with major deficiencies in combat readiness or C–4, meaning not combat ready. Have the major readiness deficiencies been corrected over the last 4 years?

Answer. On the whole, readiness of SOF has increased. However, individual problems remain in isolated units. ———.

Question. Could you run down the list of major SOF units under your command and tell us what their current readiness status is?

Answer. Attached is a comprehensive list of SOF and their readiness status as of February 1, 1989. ———.

PROCUREMENT PROGRAMS

Question. For the past few years the military Services have had great difficulties in procuring equipment for SOF units. Using your aircraft as an example, the MC–130, the AC–130, the CV–22, the

MH–60, the MH–47, and the MH–53 have run the spectrum of not being included in the DoD budget; being underfunded when they were included in the budget; having cost overruns; being late in delivery; having major systems software problems; and, sometimes, not even being able to meet the basic SOF mission requirements. Do you believe we will experience the same procurement management problems in FY 1990, or do you expect oversight of SOF programs to improve?

Answer. The Command expects steady improvement in the management of SOF acquisition projects. It should be noted that some improvements have already materialized simply as a result of focusing Command attention upon current SOF programs. As the Command moves forward with program and budget experience, more effective acquisition management will follow by providing better material requirements generation and improved research, development, and procurement procedures.

Question. Do you, or will you, have any authority over procurement of SOF equipment?

Answer. The Command has the statutory mission to develop and acquire SO-peculiar equipment, material, supplies and services. To accomplish this mission, the National Defense Authorization Act for Fiscal Years 1988 and 1989, section 1211, gave USCINCSOC Head of Agency for Acquisition authority under Chapter 137 of Title 10, United States Code. On May 4, 1988, the Secretary of Defense signed the DoD implementing directive. With this authority, and the January 24, 1989 POM/Budget decision by the Acting Secretary of Defense, the Command will now be able to prioritize requirements, determine acquisition procedures, and ultimately fund SOF programs. We will manage the acquisition of SO-peculiar materiel through agreements with other agency heads to delegate procurement functions and responsibilities and by establishing/designating a contracting activity for quick-reaction, SO-peculiar procurement.

SPECIAL TECHNOLOGY REQUIREMENT

Question. Because SOF units are the most likely U.S. forces to be deployed in the foreseeable future, it is important that they keep up with the increasingly sophisticated technology being used by terrorists and Third World countries. How quickly can you make the necessary changes if you learn that, say, Libya and Iran have fielded new communications or electronic equipment that your troops aren't trained to deal with?

Answer. This question has several aspects. The first focuses on the intelligence community's ability to identify and classify new emitters according to function, use, control, and direction. In the past, "new" Third World capabilities were primarily old "red" Soviet/Warsaw Pact systems. However, the recent acceleration in the migration of high tech systems and the development of alternative blue (U.S./allied) and gray (Brazil, Sweden, India, etc) arms suppliers are combining to complicate the Third World threat environment. In the future we will increasingly be confronted with unusual mixes of red/blue/gray systems within a single country's armed forces. Third World nations frequently find it easier to acquire and integrate off-the-shelf state of the art capabilities more rapidly than larger, more bureaucratic military establishments. The intelligence community needs to devote additional analytic resources to tracking these changes. In some instances the use of blue equipment and recent advances in communications technology pose unusual challenges to existing collection capabilities. Once a new communications or electronic threat is identified and categorized by the intelligence community, immediate action is taken to counter the threat. Four methods are used to address the new enemy capability. The first three—tactics, techniques, and procedures—can be implemented immediately, and as early as the next mission, since they normally only require administrative changes to directives and operational plans. Institutionalizing the change may take longer depending on the extent of the required changes. The fourth—equipment changes—may take longer as it may require technological changes to equipment. In some instances existing defensive avionics systems can be rapidly reprogrammed to counter the new threat. These changes could be as minor as variations to frequency hopping sequences in radio systems to as major as structural modifications to aircraft or underwater delivery vehicles to avoid new electronic sensors. Significant changes in technology could necessitate a complete research, development and acquisition program with its concomitant approval, budgeting, development and acquisition process.

Question. A total of $338.4 million was appropriated in FY 1989 to OSD and the Services for SOF R&D. How much of this money do you personally control to meet emerging requirements when the threat against your troops changes?

Answer. At the present time USCINCSOC does not personally control these funds. However, USCINCSOC does exercise considerable influence over their use. As directed by the 24 January 1989 Acting Deputy Secretary of Defense memorandum titled "CINCSOC Program/Budget", USCINCSOC will assume budget execution responsibilities for selected MFP-11 programs effective 1 October 1990 and for all MFP-11 programs on 1 October 1991. The Command is currently formulating its implementation plan.

Question. In FY 1992 you will be allowed to prepare and submit the SOF budget request. Do you believe there is any need to change the proportion of funds allocated between operations, procurement, and R&D?

Answer. As part of the FY 1992-97 POM preparation process, United States Special Operations Command will carefuly analyze the balance between operations and maintenance, procurement and research and development. USSOCOM will then program the proper mix of these appropriations to fully support SOF.

Question. The Navy and the Air Force have not budgeted any R&D funds for advanced R&D, but both the Army and OSD have. Why do the Army and OSD need such funds if the Navy and Air Force can live without them?

Answer. USSOCOM is formalizing SOF advanced R&D efforts with DARPA and the ASD (SO/LIC). In the SOF community the Army, Navy and Air Force components are all using the Special Operations Special Technology (SOST) program for advanced technology equipment demonstration. These funds, while limited, are essential to keep us on the leading edge of technology as we pursue refinement of our equipment requirements and acceleration of Service acquisition processes. Also, the Air Force in particular has a great many programs and projects in its advanced R&D budget that will directly or indirectly benefit SOF. For example many of the Air Force's electronic combat, advanced communications, chemical/biological defensive equipment, combat identification, signature reduction, and weapon and senior advanced development efforts will produce systems that will be available for application to our Army and Air Force aircraft fleets and their crews. Similarly some Navy advanced development efforts stand to provide future benefits to our special operations assets and forces. The Navy and Air Force SOF components cannot "live without" these funds. ———.

Question. Why do both the Army and the Air Force R&D requests drop significantly between FY 1989 and FY 1990?

Answer. You will notice the procurement requests for both the Army and the Air Force show a similar increase between FY 1989 and FY 1990. The corresponding RDT&E and procurement fluctuations reflect the maturing of programs which are now being passed from R&D to production and procurement. Future R&D requirement will be generated through the Joint Mission Analysis and other ongoing internal requirements studies.

SECURITY ASSISTANCE

Question. Despite the fact that you have no geographic responsibilities, you are intimately involved in the Security Assistance program. Historically, some of the most cost effective Security Assistance that the US has provided to any other country has been in the form of sending Green Berets or other SOF units to train friendly Third World military forces. Do you currently have any such training exercises currently underway or planned during this year?

Answer. The answer will depict only Security Assistance funded programs (i.e., Foreign Military Sales and Military Assistance Programs). This includes mobile training teams (MTTs) and technical assistance field teams (TAFTs), but does not include deployments for training, humanitarian assistance, personnel exchanges, or drug enforcement agency activities, all of which are funded from non-Security Assistance sources. First, the following Security Assistance funded MTTs are planned for this year:

Country	Status	Length (days)	Mission
Sudan	Deployed	90	Train the Sudanese Recon Bde tactical employment of the HMMWV.
[Deleted]	[Deleted]	[Deleted]	[Deleted].
El Salvador	Pending (March)	30	Train selected members of the El Salvadoran Army Forces (ESAF) in interrogation techniques.
Niger	Pending (March)	7	Train members of the Army of Niger in the use of US weapons.

Country	Status	Length (days)	Mission
Botswana	Pending (2d Quarter)	179	Train members of the Army of Botswana in the operation and employment of the TOW missile system.
Somalia	Pending (TBD)	TBD	Train members of the Army of Somalia in the operation of the 106 RR.

Also, there are several 1-man TAFTs and 1 to 5-man MTTs that deploy to El Salvador on a recurring basis, for various periods of time, up to one year in length. Their missions are to train and assist the ESAF at various levels of command (i.e., Brigade, National Training Center, and Military Academy).

In addition to the MTTs' above, USSOCOM units participate in various other programs that support the warfighting CINCs. These programs are known by many different names e.g, Deployments For Training (DFT), Expanded Relations Program (ERP), Joint/Combined Exercise Training (JCET) and while not considered Security Assistance, these programs provide training opportunities that benefit both host nation forces and USSOCOM forces. ———.

Question. Is it good training for your units to be involved in such security assistance efforts, or is it a waste of their time?

Answer. From the training perspective of SOF units, security assistance is actually an excellent means to improve those necessary skills of language proficiency, cultural awareness, area orientation, and interpersonal communications that can only be achieved by dealing directly with foreign nationals and that are absolutely essential in maintaining mission readiness. Many of USSOCOM's assigned missions, specifically, Foreign Internal Defense, to include nation building, Humanitarian Assistance, Psychological Operations, Civil Affairs, and Unconventional Warfare hinge on the ability of SOF soldiers, sailors, and airmen to operate in foreign countries, using their skills to train and influence foreign personnel under various environmental conditions. In essence, security assistance opportunities provide USSOCOM the best training vehicle possible by conducting real-world missions under real circumstances. The security assistance funded missions that SOF participate in through mobile training teams, staff assistance visits, and subject matter expert exchanges are more than good training; they are the way that the SOF community can help influence the attainment of U.S. foreign policy objectives in the low-intensity conflict environment. Security assistance allows USSOCOM to fulfill its strategic role as a force multiplier and critical military instrument in the U.S. foreign policy arena.

Question. Occasionally, you conduct joint SOF training exercises with other countries. Are these exercises of benefit to your troops, or do they spend most of their time training their foreign counterparts and not really learning anything new?

Answer. Any exposure to a foreign country/personnel is beneficial in preparing SOF personnel for deployment to that country. SOF personnel, when deployed as "trainers," are students themselves when working with personnel in a foreign country. Specifically, joint SOF training exercises are beneficial because they provide a training forum in which interoperability procedures can be developed and practiced.

SOVIET TROOP REDUCTION PROPOSALS

Question. President Gorbachev has proposed unilateral Soviet troop and equipment reductions in central Europe. Since you have no specific geographic warfighting responsibilities, do his proposals have any impact on how you plan SOF contingencies and train your units?

Answer. Specific contingency war plans and target priorities of the theater CINC will determine SOF operational focus and any required modification to our training emphasis. We do not expect the basic mission of providing combat ready SOF to meet theater CINC warfighting requirements for direct action and special reconnaissance to change significantly. However, we may see more emphasis on refining highly mobile SOF capabilities to respond in a timely manner to fast breaking crises and contingencies at the lower end of the conflict spectrum, and not necessarily directly linked to potential East-West conflict.

NATIONAL GUARD AND RESERVE FORCES

Question. The inception of the "Total Force" concept in 1974 increased our reliance on the reserve components. Today, with all of the discussions on active troop reductions and withdrawals, additional requirements will be added to the missions of the reserve components. To what extent do you currently depend on Reserve and Guard forces?

Answer. USCINCSOC relies heavily on its Reserve and Guard SOF for nearly 50 percent of required wartime manning to support theater commanders. ———.

Question. In your opinion, is there a requirement for additional support from the reserve components?

Answer. Additional support from the reserve components (RC) is not required. However, funds for increased RC participation in deployments for training (DFT), military training teams (MTT) and exercises at all levels will help improve RC preparedness through improved training opportunities.

Question. How well do the assigned units perform their missions?

Answer. RC SOF have performed superbly in selected assigned missions. ———.

Question. Are you aware of any problem areas? If so, what are they and what recommendations do you have to correct any deficiencies?

Answer. Yes, there are several problem areas in RC SOF. However, while some progress has been made, there are no short cuts or short-term solutions. The following examples illustrate the types of problems USSOCOM staff is working to correct.

a. Personnel. NAVRES and RC SF units are experiencing low MOS Qualification and insufficient senior grade personnel. Recruiting efforts for RC must focus on AC personnel who have recently separated from active service, in order to minimize the number of initial entry personnel who require extensive, time-consuming training to qualify in required SOF skills.

b. Training. The major problem area facing Reserve Component Special Forces (RC SF) is the amount of time available to train to mission requirements. Training requirements for the SF missions of Unconventional Warfare, Direct Action, Special Reconnaissance and Foreign Internal Defense are quite comprehensive and vary significantly. The Mission Essential Task List (METL) development process ultimately refines a unit's specific training requirements to those most essential for accomplishing its wartime taskings. USSOCOM is currently working with the theater CINCs to refine the METL for RC SF units. This process will focus the available training time to prepare units for support of theater CINC requirements. For example, if a theater CINC's concept for employment of SF is primarily for special reconnaissance missions, then the designated RC SF Group would concentrate its training efforts toward that mission. Additionally, USSOCOM, as a member of the Special Forces Military Occupational Specialty Qualification Task Force, identifies specific systemic fixes to increase RC SF qualification levels. ———.

Question. As a part of the Committee's FY 1986 detailed review of our SOF forces, we concluded that the active Air Force SOF units were "realigning" equipment from the reserve forces and leaving them unable to train adequately or to maintain their readiness ratings. Has the active Air Force stopped robbing its SOF reserve component units?

Answer. The AC-130 was developed during the Vietnam War, both the "A" model and the "H" model. Ten H-models are still active and the 10 A-models are Reserve. Because the systems are so few and so old, finding replacement parts is very difficult. Some original vendors have vanished, and new contracts often require retooling. Therefore, for contingency and other time-sensitive, high priority missions, it is often necessary to borrow compatible parts from the Reserve unit so the Active unit can conduct its mission. Borrowed parts are then returned or replaced as rapidly as the acquisition system will permit. Borrowing between these two units will continue until old systems are replaced; the borrowed parts being returned/replaced. Completion of the SOF improvement modifications to the "H" model will provide some relief because those 10 sets of replaced equipment will become parts for the Reserve "A" models.

[Clerk's note.—End of questions submitted for the record.]

WITNESSES

	Page
Cassidy, Gen. D.H	127
Galvin, Gen. J.R	1
Hardisty, Adm. Huntington	221
Kelso, Adm. F.B., II	71
Lindsay, Gen. J.J	517
Piotrowski, Gen. J.L	447
Schwarzkopf, Gen. H.N	283
Woerner, Gen. Frederick, Jr	377

INDEX

COMMANDER IN CHIEF, UNITED STATES ATLANTIC COMMAND

Page

- Advanced Submarine Technology Program 105, 122
- Airlift 116
- A-6 Attack Aircraft 96, 108, 123
- Bomber Aircraft to Navy, Transfer of 99
- Budget Reductions 118, 120
- Capabilities, Assessment of Current 102
- Carrier Battle Groups, Status of 106
- EA-6B Program 107, 125
- Fiber Optic Guided Skipper (FOG-S) 117
- Funding Priorities 101
- Geographic Area, Atlantic Command 92
- Introduction 71
- Landing Craft Air Cushion (LCAC) 114
- Laser Guided Training Round (LGTR) 125
- Maritime Strategy in Atlantic 100
- Military Assistance, Importance of 122
- Mine Warfare 109
- Operation and Maintenance Issues:
  - Base Closures, Overseas 119
  - Facilities, Leasing of 120
  - Medical Care, Navy 93, 103
  - National Guard and Reserve Forces 121
  - Personnel Issues 103, 105
  - Readiness Reductions, Potential 100
  - Steaming Hours 99
- Patrol Hydrofoil Missile Ships 112
- Persian Gulf Lessons Learned 106
- Sea Lance Anti-Submarine Warfare (ASW) Weapon 102
- Sealift, Strategic 92, 98, 111
- Seawolf Submarine 96, 106
- Security Assistance 91
- Soviet Submarine Quieting 95, 118
- Soviet Military Activities 99
- Soviet SSBN Activity 95
- Spare Parts 97
- Statement of Admiral Kelso 73
- Summary Statement of Admiral Kelso 71
  - Conclusion 72
  - Readiness of Atlantic Command 71
  - Soviet Military Capabilities 72
- Vertical Launch ASROC 113, 126
- Weather Reconnaissance 115

COMMANDER IN CHIEF, UNITED STATES CENTRAL COMMAND

Page
Airlift and Sealift 306
  Availability of 316
Area of Responsibility, Central Command 288
Bab El Mandeb, Importance of 313
Budget Process, Central Command's Role in 304
Chemical Weapons 308
Facilities, Leasing of 317
Introduction 283
Japan, Assistance from 310
Mine Countermeasure Capability 310
National Guard and Reserve Forces 316
Persian Gulf Operation 311
  AHIP Aircraft in the 309
  Arms Sales in 301
Readiness 303
Security Assistance 299, 303, 312
  To Pakistan 300, 307
  Central Command's Role in 305
Statement of General Schwarzkopf 319
Summary Statement of General Schwarzkopf 283
  Area of Responsibility 283
  CENTCOM Requirements 286
  CENTCOM Strategy 284
  Combined Exercises 285
  Conclusion 286
  Security Assistance 284
  Soviet Presence 284
  U.S. Presence in CENTCOM area 285
Sustainability and Readiness 316
Vander Schaaf Report 314

COMMANDER IN CHIEF, UNITED STATES EUROPEAN COMMAND

Ammunition Supplies, Preferred 31
Arms Control, Conventional 35, 39, 52
Base Closures or Consolidations, Possible 59
Battle Simulation TRAINING Complex Network (SIMNET) 55
Budget, Fiscal Year 1990 Defense 30
  Priorities 28
  Reductions 32, 65
Burdensharing Issue, NATO Nation's Defense Commitments and the 57
Chemical Weapons 47
  Libya, Chemical Weapons Production in 45
  Protection Against 48
Communications 44
C-17 Aircraft 29
Follow-On To Lance 42
Forward Defense 54
Guard/Reserve Forces, Reliance on 66
Intermediate-Range Nuclear Forces (INF) Treaty 43, 46
Introduction 1
Lance Missile 67
LHX Helicopter 29

Page
Military Assistance, Importance of U.S. 58
Military Construction in Europe, United States 61
NATO Weapon's System, Duplication of 63
Nuclear Weapons, Reduction of 41
Pre-Positioning of Material Configured to Unit Sets (POMCUS) Shortfall 34
Ramstein Air Crash/NATO Aircraft Losses 64
Reduction in Force 28
Sealift Requirements 32, 37
Soviet Initiatives 38
  NATO Response to 40
Soviet Military Changes 27
Soviet Reductions in Conventional Forces 49
Statement of General Galvin 5
Strategic Defense Initiative (SDI) 47
Summary Statement of General Galvin 1
  Burdensharing 3
  National Security Strategy 2
Nuclear Weapons Requirements, Study on 2
  Short and Long Range Initiatives 4
  Soviet Union, Changes in the 1
Troop Reductions in Europe, United States 55
Unified and Specified Commands, Inspector General's Report of 63
War Reserve Stocks, Prepositioning of 46

COMMANDER IN CHIEF, UNITED STATES PACIFIC COMMAND

A-6 Aircraft 275
Air Defense, Pacific Command 266
Airlift and Sealift, Availability 277
Airlift Capacity, Naval 251
Ballistic Missiles in the Pacific 247
Base Closures, Overseas 279
Blue Ribbon Health Care Panel 241
Budget, Fiscal Year 1990 Defense:
  Pressures 255
  Reductions and Readiness 274
Burdensharing 268
Buy American Provision 254
Cambodian Situation 248
Crossdecking, Equipment 267
EA-6B Program Termination 276
Facilities, Leasing of 280
Force Structure 270
Health Care 260
Homeporting, Strategic 250
Hospital Ships 265
Introduction 221
Japanese Defense Levels 257
Landing Craft Air Cushion (LCAC) 252, 253
Laser Guided Training Round 278
Military Assistance Program, Pacific 245
National Guard and Reserve Forces 281
Philippine Situation 245
Soviet Naval Threat 249
Soviet Submarine Activity 250

Page
Statement of Admiral Hardisty 224
Submarine Laser Communication 265
Summary Statement of Admiral Hardisty 221
    Conclusion 223
    Importance of the Pacific 221
    Security Posture 222
    Soviet Threat 222
Sustainability 246
TAGOS Ships 250
Troop Levels, Overseas 246
United States Army Western Command 276
Vertical Launch Capability 258
Weather Reconnaissance 252, 253

COMMANDER IN CHIEF, UNITED STATES SOUTHERN COMMAND

Page
Air Mobility 438
Area of Responsibility, Southern Comand's 440
Army Development and Employment Agency (ADEA) 424
Budget, Southern Command 430, 440
Capital Outflow 429
Caribbean Basin Radar Network 434
Central American Policy 415
Cuba 427
Drugs 421
    Chemicals for Producing 426, 428
    Coca Farmers, Economic Choices for 443
    Drug Enforcement Administration (DEA) Paramilitary Operations 442
    Interdiction 430
    Role of Southern Command in Drug Interdiction 441
    United States Financial Aid and Drug Interdiction 445
Education and Training 436
El Salvador 416, 437
Guatemala, Assistance for 435
Insurgencies in Countries Other Than Nicaragua and El Salvador 438
Introduction 377
Kissinger Report 420
Latin America:
    Bases, Implications of No Permanent in 437
    Situation in Next Five Years 436
National Guard and Reserve Forces 439
Nicaragua 415
    Policy toward 418
    Refugees 426
Panama, Security in 428
Personnel 431
Peru 434
Policy, Coordination of 419
Security Assistance 430, 434
Statement of General Woerner 380
Summary Statement of General Woerner 377
    Central American Policy 378
    Drug Interdiction 379
    Economic Progress 377

Page
Summary Statement of General Woerner—Continued
  Panama 379
  SOUTHCOM Policy 378

COMMANDER IN CHIEF, UNITED STATES SPACE COMMAND

Advanced Satellite Technology (LIGHTSAT) Program 505
Anti-Satellite (ASAT) Program 480, 489
Budget, Commanders in Chief Input to the Defense 514
Cheyenne Mountain:
  Computer Upgrades 491
  Existing System 468
  Management Issues 497
  Summary 486
Communication System Segment—Replacement (CSSR) 476, 495
Defense Science Board Study: "Assured Military Use of Space" 506
Defense Support Program (DSP) Follow-on 504
Deficiencies, Space Command 475
False Attack Warnings 469
Intelligence Missions 478
Introduction 417
National Guard and Reserve Forces 516
Operating Costs, Space Systems 508
Priorities, United States Space 511
Responsibilities, Commander in Chief (CINC) 471
Responsibility, Air Force 112
Satellite Control Network and Consolidated Space Operations Center (OSOC) .. 487
Satellite Control Network (SCN) Upgrades 500
Soviet Space Capability 478
Soviet Space Threat 510
Space Defense Operations Center (SPADOC) 471, 493
Statement of General Piotrowski 451
Summary Statement of General Piotrowski 447
  Anti-Satellite Capability 448
  Launches, United States vs. Soviet Union 447
  Missile Warning 449
Survivability, Space Systems 508
Unified Space Command Organization, Effectiveness of the 512

COMMANDER IN CHIEF, UNITED STATES SPECIAL OPERATIONS COMMAND

Army Development and Employment Agency (ADEA) 517
Budget Request, Fiscal Year 1990 Defense 519
Command Structure, Special Operating Forces (SOF) 520
Communications Requirements 524
Congressional Add-On, Fiscal Year 1989 518
National Guard and Reserve Forces 531
Procurement Programs 526
Readiness 526
Security Assistance 529
Soviet Troop Reduction Proposals 531
Special Technology Requirement 527

COMMANDER IN CHIEF, UNITED STATES TRANSPORTATION COMMAND

Page
ADP System for Transportation, Single 214
Airlift and Sealift, Balance Between 176
Airlift, Future Requirements for 206, 210
Airline Industry, Growth of 177
Aviation Continuation Pay 182, 203
Burdensharing 184, 185
C-17 Program 204, 206
    Costs 186
    Deletion of C-17 from Fiscal Year 1990 187
    Intratheater Capability of 200
    Operational Utility of 188
Civilian Sector Assets 214
Command's Effectiveness 167, 211
Data and ADP, Requirements for 217
Data Elements for Transportation Command, Necessary 218
Foreign Flags, United States Owned Ships with 177
Introduction 127
JCS Exercise, Participation in 213
Joint Operation Planning and Execution System 216
Mariner Fund, Fiscal Year 1986 173
Maritime Industry:
    Revitalizing 170
    Subsidization of 178, 181
McChord Air Force Base 185, 202
Merchant Marine and Defense, Commission on 174
Merchant Mariner Force, Shortage in 208
Mission of the Transportation Command 205
Mission, Peacetime vs. Wartime 167
Mobilization, Priority of 171
Mobilization, Requirements 171, 172
Motion to Close 127
Ocean-Going Trade, Expansion of 178
Ready Reserve Force, Increase in 180
Reserves, Shift of Resources to 181
Sealift:
    Assets 169, 172, 173
    National Policy 170, 171
    Reliability 172
    Shortfall 201
    Strategic 205
Special Operations Forces (SOF) Mission, Airlift Requirements for the 209
Statement of General Cassidy 135
Summary Statement of General Cassidy 127
    Airlift Capability 133
    Civil Reserves Air Fleet 129
    Command and Control Systems 134
    Conclusion 135
    Importance of Transportation Command 128
    Personnel 130
    Pilot Retention 132
    Quality of Life 132
    Readiness of Transportation 130

Page

Summary Statement of General Cassidy—Continued
  Resources 129
  Sealift Capability 133
  Shortage in Merchant Marine 131
  Three Elements of the Transportation Command 128, 133
Support of Commanders in Chief 167
Sustainability 172
Technology Increases 179
Trade Agreements, Enforcement of 184
Transportation Need, Requirements to Meet 176

○